

lishing the Office of Science and Technology Policy.

235 Russell Building

MARCH 29

9:00 a.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation to establish an Earth Data and Information Service which would supply data on the earth's resources and environment.

235 Russell Building

9:30 a.m.

Veterans' Affairs

To hold hearings to receive legislative

recommendations for fiscal year 1980 from AMVETS, paralyzed Veterans of America, Veterans of World War I, and blinded veterans.

6226 Dirksen Building

MARCH 30

9:00 a.m.

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee

To continue hearings on proposed legislation to establish an Earth Data and Information Service which would supply data on the earth's resources and environment.

235 Russell Building

APRIL 10

9:30 a.m.

Veterans' Affairs

To hold oversight hearings on the role of the Federal government in providing educational, employment, and counseling benefits to incarcerated veterans.

6226 Dirksen Building

MAY 1

9:30 a.m.

Human Resources

Child and Human Development Subcommittee

To hold oversight hearings on the implementation of the Older American Volunteer Program Act (P.L. 93-113).

4232 Dirksen Building

HOUSE OF REPRESENTATIVES—Thursday, February 1, 1979

The House met at 11 a.m.

Chaplain James David Ford, B.D., offered the following prayer:

O God, give us always the spirit of humility, both in our prayers, and in our lives.

Grant that no one be captured by his sense of position or place, but that each person be aware of dependence upon Your power and providence and upon the need for forgiveness.

Give us renewed understanding that through service to others will come true fulfillment in life. Grant us respect for all people, whatever station or position, that we may truly serve You each day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirton, one of his secretaries, who also informed the House that on January 22, 1979, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 1. Joint resolution to extend the time for filing the Economic Report.

MODIFICATION OF EXECUTIVE AND CONGRESSIONAL TERMS OF OFFICE

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, I am today introducing a very important piece of legislation which would amend the Constitution of the United States. Passage of this resolution would result in five significant changes. These changes would: First, limit the number of consecutive terms Representatives may serve; second, provide for 3-year terms for Representatives to the Congress; third, limit

to three 6-year terms for Members of the Senate; fourth, establish a single 6-year term for the Presidency; and fifth, provide an age limit for elected officials.

While the Constitution as it was originally written did not specify a maximum length of service for Members of Congress or the President, there is a definite need to insure that all Americans are represented equally and fairly in our Republic.

Many Pennsylvanians have expressed to me the feeling that those elected to participate in the Federal Government have lost touch with their constituencies. They believe Members of this institution no longer view themselves as citizens temporarily on leave to the Government but as permanent legislators living in the city of Washington.

I must say, however, that I do not take lightly any attempt to amend our Constitution. I do feel, however, that we must establish constitutional limits on both number of terms and the age of our elected officials.

My resolution amends the Constitution to provide that no elected official can serve indefinitely and that within a specified time frame every elected person will again become a private citizen regardless of his or her political skills. This would continue the process initiated with the 22d amendment to the Constitution which limited the President's tenure in office. This amendment was widely received and was based on the premise that a term limitation would allow a President to concentrate less on the politics of being reelected and more on important questions of national policy.

I urge my colleagues to support this legislation and to initiate some meaningful public debate on the role of elected officials and their relationship to the American people.

Thank you, Mr. Speaker.

□ 1105

U.S. CREDIBILITY RESTS ON ACTION TO HONOR DEFENSE COMMITMENTS TO THE REPUBLIC OF CHINA

(Mr. RUDD asked and was given permission to address the House for 1 min-

ute and to revise and extend his remarks and include extraneous matter.)

Mr. RUDD. Mr. Speaker, I have just returned from a 5-day visit to the Republic of China, where I participated with elected representatives from many other nations in commemorating the 25th anniversary of "World Freedom Day."

While the administration is this week celebrating the new relationship with Communist China, I must report to my colleagues that I encountered unanimous strong resentment—and even hostility toward the United States—from our elected counterparts throughout the free world.

The President's egregiously wrong precipitous unilateral abrogation of our treaty with the Republic of China has destroyed our credibility with every nation.

It has made the United States a tool of Chinese and international communism's intended march to enslaving the nations of the world.

If Taiwan falls, you will once again see the slaughter of every responsible free Chinese citizen.

Is this the human rights doctrine the President projects?

World Freedom Day was a solemn but joyous anniversary—a time for remembering that 25 years ago this month more than 14,000 Communist Chinese soldiers fighting with the North Korean armies, who had been taken prisoner of war in South Korea, chose freedom on Taiwan and refused to return to the Communist slave camp of mainland China.

During my visit, I was able to meet and talk with many Republic of China officials, including Premier Sun Yun-suan, Minister of Foreign Affairs Tsiang Yen-si, Vice Minister of Foreign Affairs Frederick F. Chien, Vice Minister of Defense Gen. Cheng Wei-yuan, Marine Corps Deputy Commandant Lt. Gen. Tu, and others.

I also met and talked with a number of prominent elected representatives from national assemblies and Parliaments of Australia, Japan, New Zealand, France, Canada, the Netherlands, India, Brazil, Portugal, the Philippines, South

□ This symbol represents the time of day during the House Proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Korea, African nations of Upper Volta and Lesotho, the Republic of China, and other free world countries.

While the administration is this week celebrating the new relationship with Communist China, I must report to my colleagues that I encountered unanimous strong resentment—and even hostility toward the United States—from these, our elected counterparts throughout the free world.

They told me that the President's precipitous abandonment of our diplomatic and defense commitments to the Republic of China, our longtime valued friend and ally, has seriously lessened our credibility among people of every nation—possibly permanently undermining trust in the United States among friendly as well as hostile governments and world leaders.

After personally receiving this view from respected foreign elected representatives, it is clear that the decision to unilaterally abrogate the mutual defense treaty between the United States and the Government of Taiwan—as a quid pro quo for diplomatic recognition of Communist Mainland China—was a tragic error in judgment.

This decision by our President has understandably shocked world leaders, as it has shocked and grieved millions of Americans. In the frontier West of my youth, we placed great confidence and great reliance on a handshake agreement. We viewed written contracts as somewhat unnecessary between men and women of honor. That honor has been brought into question by the President's action, and must now be restored.

I am proud to have joined with Senator BARRY GOLDWATER in a lawsuit to challenge the President's authority to unilaterally abrogate our defense treaty with the people of Taiwan. I hope this action will prevail. I hope the American courts will recognize the sanctity of promises made.

Whatever the courts decide, let the world take notice there is a higher authority. Let the voice of all free humanity declare this hasty action, even if it has been determined to be legally right, to be morally wrong.

CONGRESS MUST ACT

Mr. Speaker, we should be acutely aware of the disquieting effect of the President's action on a host of other small, freedom-loving nations that have relied on the promises of the United States.

The President's action has created dangerous indecision among our valued allies, thus opening the way for totalitarian Communist nations to widen their military adventurism and control throughout the world.

The reason for this situation is apparent. The mutual defense treaty signed by the United States and the Republic of China in 1954 is the same basic treaty signed by the United States with the Philippines, Australia, New Zealand, and other countries. If our President would take such action to repudiate Taiwan, in order to meet the demands of the Communist mainland regime, they fear

that similar repudiation of our agreements and promises to other nations dependent upon our support will be forthcoming in future negotiations involving the Soviet Union, Communist China, and other totalitarian governments.

In light of this situation, Congress has a major historic responsibility, this year, to help restore our Nation's honor and credibility, as well as to reassure our valued friends and allies throughout the world.

Confidence in the United States and its commitment to world freedom will be restored only if Congress takes sure legislative action to continue needed U.S. military and economic support for the Republic of China.

This must be done in our own strategic interests, as well as to keep faith with valued allies to protect Taiwan's continued freedom, security, and independence.

THE STRATEGIC IMPORTANCE OF TAIWAN

Taiwan is a vital link in the strategic island chain—including Japan, Ryukyu, and the Philippines—that hems in the Asiatic rimlands.

It is essential to the entire free world that Taiwan continue to be denied to any enemy or potential enemy, particularly any Communist regime. For Taiwan, under the domination of Communist China or any other hostile power, would mean a break in the island chain that would threaten the Ryukyus to the north and the Philippines to the south.

Taiwan's loss would have a profound political influence over the rest of Asia far more damaging to free world interests than any possible gains in our relations with Communist mainland China. Compared with the nebulous gains of better relations with Peking, the strategic, moral, economic, and political costs of losing Taiwan to totalitarian communism would be disastrous.

The respected Pulitzer prize-winning former military editor of the New York Times, Hanson W. Baldwin, has clearly stated this strategic importance of Taiwan—

... Taiwan represents an important flanking threat to the Communist Chinese mainland positions. Taiwan and the Nationalist-held offshore islands of Quemoy and Matsu dominate the Chinese coast from Swatow through Amoy to Foochow and control the hundred-mile, wind-swept Taiwan Strait, which links the East China and South China seas. Because of its geographic position, the Nationalists' wishful but avowed intent to "return to the mainland" and the considerable strength of the Nationalist forces, Peking's military freedom of action has been considerably limited, even during the Korean and Vietnam wars. A very sizable part of the Chinese Communist Army—totaling probably 600,000 to 800,000 men out of a total ground strength of more than [3,600,000]—has been constantly deployed opposite Taiwan. Recently, when the Sino-Soviet split led to shooting affrays with the Russians on the Manchurian and Sinkiang frontiers, it was the Chinese concentrations near North Vietnam that were thinned out and shifted northward, not those opposite Taiwan. To Peking, Taiwan represents, strategically, a deadly potential peril—a small but definite psychological and political peril to the facade of monolithic communism on the mainland, but a major military threat.

THE COMMUNIST CHINA THREAT IS REAL

Mr. Speaker, Communist China poses a real and continuing threat to the freedom and independence of the Republic of China.

Since the first days of Mao Tse-tung's Communist tyranny on the mainland, it has been Peking's stated objective to impose communism on the people of Taiwan, through force if necessary, in order to create "one Communist China."

This objective of the Peking regime is written into its Constitution, and was reaffirmed here only yesterday by visiting Communist Chinese Vice Premier Teng Hsiao-ping, who told members of the Senate Foreign Relations Committee:

We say that so long as Taiwan is returned to the motherland, and there is only one China, we will fully respect the realities on Taiwan.

At no time has the President ever elicited from the Communist Chinese a solemn promise that they will not achieve this "return to the motherland" of Taiwan through force.

It would have to be through force or subversion and Communist takeover of the Taiwan Government, since the people of Taiwan will fight to the death to avoid the imposition of a Communist regime. They know that their political, business, and public opinion leaders will be slaughtered by the Communists if they are ever "returned to the motherland" under Communist rule.

The circumstances on Taiwan and on mainland China depict perhaps the best picture of the irreconcilable differences between freedom and slavery.

Nowhere in all of history can I find a more dramatic, persuasive example of the productivity of the talents of men who are blessed with freedom, than I witnessed this month in Taiwan.

The island of Taiwan occupies only 13,500 square miles, while the mainland now known as the People's Republic of China covers an area almost 3.7 million square miles. Taiwan's population is only about 17 million, while that of the mainland numbers perhaps 900 million. No one really knows, because there are no adequate census figures of the mainland's huge population.

Despite the disproportionate differences in land area and population, in favor of the mainland Communists, Taiwan's per capita income is several times the per capita income on the mainland. The workers of Taiwan outproduce their cousins on the mainland on a ratio of 5 to 1. With 270 times the land area and 53 times the population, the gross national product of the mainland is only 10 times the GNP of Taiwan.

How can this be? The people on Taiwan are not physically stronger than their cousins on the mainland. This island does not have more abundant natural resources, superior to those found on the mainland. Taiwan is no closer to its trading partners than is the mainland. The difference—the remarkable difference between the two Chinas the world sees today is to be found in the fact that the people of Taiwan are free, while the people of the mainland are enslaved.

The economic comparison, the material abundance of Taiwan versus the poverty and comparative lack of productivity or ingenuity on the mainland, is only an illustration of the remarkable differences between the People's Republic of China and the free Government of Taiwan. The true difference is spirit—the human condition, the absence of compulsion and regimentation, the presence of individual opportunity in Taiwan that is totally lacking on the mainland.

On Taiwan, sovereignty has been exercised by the Republic of China for 30 years. In that 30-year period, freedom has been extended. The population has been a welcome participant in every political decision. This cannot be said about the population of Communist mainland China.

Is there any wonder why the people of Taiwan will fight and to the death to retain their freedom, and to stop a Communist takeover?

With the existence of Taiwan next door as a glistening showcase of the happiness, plenty, and individual incentive and opportunity that only human freedom can provide, is there any wonder why the iron forces of totalitarian communism on the mainland feel compelled to stamp out that shining light in order to maintain domination over their own people?

This is why Congress must act to guarantee continued U.S. military support and economic and cultural relations with the Republic of China on Taiwan. We must reaffirm for the world community that the United States will not, on the excuse of expediency, betray free people of any nation and discard honor for what appeared to be a momentary advantage.

TAIWAN MUST HAVE CONTINUED U.S. SUPPORT

The Republic of China must have continued U.S. military support. The armed forces of Taiwan are almost 100 percent equipped with U.S. weaponry, which has been purchased by the Republic of China under the military sales program ever since U.S. grant aid came to an end in fiscal year 1974.

U.S. foreign military sales credit to Taiwan from fiscal year 1966 to fiscal year 1978 totaled \$547 million. The Republic of China has never defaulted on repayment with interest. Yet, the President has announced plans for an immediate end to all military support for Taiwan, upon the insistence of the Communist Chinese regime.

In light of Communist China's growing strategic threat to Taiwan, and the obsolescence of much of Taiwan's military equipment along with their need for replacements parts, it is imperative that the United States continue to provide the Republic of China with adequate arms and equipment with which to defend itself.

The Chinese Communist regime has nuclear missiles. It has about 70 World War II Soviet submarines, at least 1 nuclear submarine, and numerous major combat ships and gunboats in its navy. Peking is acquiring advanced fighter aircraft from Great Britain and France.

The Communist Chinese already have

about 5,700 combat aircraft, including 4,500 MIG-17's and MIG-19's, about 500 MIG-15's and F-9's, 80 MIG-21's, and others with missile and torpedo-carrying capability.

By comparison, the Republic of China's inventory is very small and obsolete, including only 2 Guppy-II ex-U.S. submarines, 33 ex-U.S. World War II-vintage destroyers and frigates, and only 316 combat aircraft, most of which are old F-100's, F-104's, and F-5's.

With the President's recent actions to recognize Communist China, and repudiate our defense commitments to Taiwan, there is no guarantee now that an active attack against Taiwan by the Communist Chinese—including even a nuclear attack—would instantly invoke even the threat of U.S. retaliation in behalf of the Republic of China.

Taiwan has been guaranteed through the years of such U.S. support and protection, which is a major reason why its armed forces are so meagerly equipped with virtually obsolescent U.S. military equipment.

Actions by our Government demand that we now furnish Taiwan with at least 200 to 300 F-16 or F-18 advanced fighter aircraft, which the Republic of China must have and I was told by its officials is willing to purchase under a continued military sales program cash arrangement.

In addition, Congress should authorize the sale of a sufficient number of other modern weapons and replacement parts to put them on an equal or superior footing to the Communist Chinese, in order to deter aggression.

The United States has a moral obligation to continue supplying the Republic of China with military arms and equipment, and to help its Government to implement a reasoned program of arms modernization in order to continue the political stability and economic prosperity that the people of Taiwan have enjoyed.

Only a clear manifestation by Congress this year of support for Taiwan will provide the psychological, military, and political requirements to prevent the loss of another key position in this vital Asiatic island chain.

I will be introducing and supporting the necessary legislation to accomplish this objective.

Mr. Speaker, I would like to include in the RECORD at this point a partial listing of Republic of China officials and business leaders with whom I visited in Taiwan this month, as well as a partial list of free world elected representatives who attended the "World Freedom Day" anniversary celebrations in Taipei.

I would also like to include a fact sheet concerning U.S. arms sales to the Republic of China:

FOLLOWING IS A PARTIAL LISTING OF REPUBLIC OF CHINA GOVERNMENT, CIVIC, AND BUSINESS LEADERS WITH WHOM CONGRESSMAN ELDON RUDD MET DURING HIS VISIT

Sun Yun Suan, Premier, Republic of China.
Tsiang Yen-si, Minister, Foreign Affairs, Republic of China.

Fredrick F. Chien, Vice Minister, Foreign Affairs, Republic of China.

Gen. Cheng Wei-yuan, Vice Minister, Defense, Republic of China.

Wanlian Tsai, Department of North American Affairs, Ministry of Foreign Affairs, Republic of China.

Lin Ki-tseng, Deputy Director, Central and South American Affairs, Ministry of Foreign Affairs, Republic of China.

Tsai Hung-wen, Speaker, Taiwan Provincial Assembly.

Lo Weng-tang, Member, National Assembly, Republic of China.

Lo Tien-fu, Member, National Assembly, Republic of China.

Wang Tao, Member, National Assembly, Republic of China.

T. S. Lin, Speaker, Taipei City Council.

Chen Ching-yuh, Vice Speaker, Kaohsiung City Council.

Jeffrey L. S. Koo, President, China Investment and Trust Company.

Chen Tien-mao, Managing Director, First Commercial Bank.

Hsu Fu-teh, Secretary-General, Sino-Australian-New Zealand Cultural and Economic Association.

Tsai Ven-chin, Senior Vice President, International Commercial Bank of China.

T. Y. Chao, Chairman, Vocational Assistance Commission for Retired Servicemen.

Deng Chang-kuo, Vice President, China Television Company.

Joseph Wu, Former Ambassador to Ecuador, Editorial Writer, China Post, Editor-in-Chief, Asian Outlook Magazine.

Tan Ying, Secretary General, World Anti-Communist League.

Tao Yung, President, China-India-Burma-Sri Lanka Cultural and Economic Association.

PARTIAL LISTING OF ELECTED REPRESENTATIVES WITH WHOM CONGRESSMAN RUDD MET

Muzuki Kato, Japan House of Representatives.

Georges Mesmin, French National Assembly.

Mohammed Omar Tawfig, Saudi Arabia.

Daso Do Oliveira Coimbra, Brazil National Assembly.

Frederic Gurima, Upper Volta.

Robert Brisco, Canadian Parliament.

Peter Rae, Australian Senate.

J. T. Kolane, Speaker, Lesotho National Assembly.

A. Ploeg, Netherlands.

Kevin Cairns, Australian Parliament.

Myong Whai Kim, National Assembly, Republic of Korea.

H. Darussamin, Indonesia Parliament.

Marcial Pimentel, National Assembly, Republic of the Philippines.

FACT SHEET CONCERNING U.S. ARMS SALES TO THE REPUBLIC OF CHINA

BACKGROUND

The United States began to provide grant military aid to the Chinese Armed Forces with the activation of the Military Assistance Advisory Group (MAAG) in 1951.

This group had 360 military personnel in 1951, reached its strength of 2,347 in 1956 and was reduced to 6 officers and men in 1978.

U.S. grants aid to the Republic of China was gradually decreased in the 1960's and officially came to an end in FY 1974. From FY 1966-FY 1971 direct foreign Military Credit totalling \$168 million was provided. From FY 1972-FY 1974 a combination of direct and commercial credits totalled \$148 million. From FY 1975-FY 1978, Foreign Military Sales credit arranged by the Federal Financing Bank totalled \$231 million. Foreign Military Sales credit from FY 1966 to FY 1978 totalled \$547 million. The Republic of China has never defaulted on the repayment with interest.

Foreign Military Sales credit in FY 1976 was \$93 million, FY 1977 \$35 million, FY 1978 \$23.5 million. The planning figure for FY 1979 is \$10 million or even less. The trend is such that Foreign Military Sales credit for

the Republic of China will soon come to an end. In fact, the Republic of China has, in recent years, funded more and more of its military procurement from its own resources.

FACTUAL SITUATION

The Republic of China Armed Forces is almost 100 percent equipped with U.S. weaponry. It must therefore be supplied with adequate spare parts and follow-on support.

The strategic significance of Taiwan must be taken into consideration when military operations in that part of the world are undertaken.

In light of the intended termination of the Mutual Defense Treaty on December 31, 1979, it is highly significant that the Republic of China be provided with adequate military equipment to defend itself. High on the requirement list are such items as high-performance F-16 or F-18L aircraft, Harpoon Missiles, ship-to-ship missiles.

The one-year "Moratorium" on new arms sales to the Republic of China will have an adverse effect on the combat effectiveness of the Republic of China armed forces, since it will mean an additional year of delay on the equipment urgently needed by the Republic of China.

The Chinese Communist Regime has about 70 WWII Soviet Submarines and at least one nuclear submarine and numerous gun boats in its navy. It is acquiring advanced military aircraft from Britain and France.

INTRODUCING RESOLUTION TO AMEND CONSTITUTION TO PROVIDE FOR ABOLISHMENT OF ELECTORAL COLLEGE

(Mr. ERDAHL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDAHL. Mr. Speaker, the time seems long overdue that we allow the people of this country to directly elect our President and Vice President. For that reason, today I am introducing a resolution to amend the Constitution to provide for the abolishment of the electoral college, the creation of a National Canvassing Board and the opportunity for the people of this Nation to elect our President by a direct popular vote.

It is hard to defend the present winner-take-all concept in the electoral college where in effect the votes of millions of Americans do not count at all in a Presidential election. Also, the frightening possibility exists where a person could be elected President of the United States—the most powerful political office in the world—and still have less votes from the people than his opponent.

In the early days of our Republic the electoral college provided safeguards and perhaps served us well. Now with instant electronic communication the proper opportunity is here for the vote of each citizen to be counted and to have the same weight.

Under my proposal each State canvassing board would submit the results of their State to the National Canvassing Board, which would then certify the winner as the candidate receiving the most popular votes. No runoff election would be necessary.

The time to submit this resolution to the several States is now. It would be unwise to wait until a President with less votes than his opponent is selected

by the 538 Presidential electors—who are not even bound to vote for the winner in their State.

The present electoral college system allows for a disproportionate share of electoral strength. We need a system where people, not States, elect our President. The citizens of this country do not need middlemen to cast their votes for them.

BIASED TV AND A DOCILE CONGRESS MAKE ONE WONDER AFTER TENG VISIT

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ASHBROOK. Mr. Speaker, I want to make one thing very clear for the record. I was not here on Tuesday afternoon and Wednesday when many in the 96th Congress fell all over themselves fawning over the networks' new Communist hero. I have developed a rather strong stomach for what I might euphemistically call political realities—the public might call it something different, associated with the oldest profession in the world—but the craven and supine groveling before Red China's most current despot was the most sickening experience in my 18 years in this House. The laughter at Blair House on Monday and Tuesday nights must have been earth shaking.

I did not expect much. Most of the legislators like hands across the caviar with our enemies anyway. But I did not think it would be quite so bad and I want to totally disassociate myself with this venerable institution on those 2 days. Do not blame me—I was hardly the type of Congressman who would be invited anyway.

In all of my days of TV viewing, I have never seen any presentation as biased and propaganda oriented as John Chancellor's NBC wrap-up, documentary, or whatever you want to call it which was presented following the NBC evening news on Tuesday night. It was not even faintly objective and in no way presented the Red Chinese in honest fashion. Chancellor's piece passed itself off as a documentary quickie with past clips of Korea, "Vinegar Joe" Stilwell, Joe McCarthy, and President Chiang.

It came to the conclusion that Chiang was corrupt, we had erred in not listening to pro-Red China advice in the fifties, and that everything is rosy. Not one honest, critical word was spoken about Mao or his henchmen who have systematically oppressed the Chinese people, conducted the greatest mass executions in history, and in no way have recanted.

Not one ill word of the Communists. The poorest traditions of news reporting were shown. No effort to be objective or balance the record. Chancellor must rate a goose egg for his efforts to be fair, hopefully that bad in the minds of Americans who viewed his propaganda piece. It could have been produced in Peking.

I also watched a CBS roundup with

Walter Cronkite. While not overly fair, at least it did not pass itself off as a semidocumentary. No old clips, or quote—quickie—unquote course on 1949–78 history. At least Cronkite does not make your blood boil and you do not get the impression he is biased or afraid to ask difficult questions. The NBC presentation was, to repeat, the most biased, propagandistic, pro-Communist piece of reporting I have ever seen on the networks and I thought I had seen some bad ones over the years.

The people back home are not fooled if my experience in talking to Americans on Tuesday and Wednesday is any example. They think that the networks and the Congress are drunk on Chinese Communist champagne. Comes the hangover, comrades.

ADJOURNMENT TO MONDAY, FEBRUARY 5, 1979, AT 12 O'CLOCK NOON, AND ADJOURNMENT FROM MONDAY, FEBRUARY 5, 1979, TO THURSDAY, FEBRUARY 8, 1979, AT 11 A.M.

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday, February 5, 1979, and that when the House adjourns on Monday, it adjourn to meet at 11 a.m. on Thursday, February 8, 1979.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. AIR FORCE ACADEMY

The SPEAKER. Pursuant to the provisions of 10 United States Code 9355 (a), the Chair appoints as members of the Board of Visitors to the U.S. Air Force Academy the following Members of the House: Mr. BURLISON, of Missouri; Mr. WIRTH, of Colorado; Mr. ROBINSON, of Virginia; and Mr. KRAMER, of Colorado.

APPOINTMENT AS MEMBERS OF JAPAN-UNITED STATES FRIENDSHIP COMMISSION

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 94-118, the Chair appoints as members of the Japan-United States Friendship Commission the following Members on the part of the House: Mr. ZABLOCKI, of Wisconsin, and Mr. ANDERSON, of Illinois.

□ 1110

APPOINTMENT AS MEMBERS OF JAMES MADISON MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86-417, the Chair appoints as members of the James Madison Memorial Commission the following members on the part of the House: Mr. SLACK, of West Virginia; Mr. YATRON, of Pennsylvania; Mr. WAMPLER, of Virginia; and Mr. ROBERT W. DANIEL, of Virginia.

**DISTRICT OF COLUMBIA BUDGET
FOR FISCAL YEAR 1980—MESSAGE
FROM THE PRESIDENT OF THE
UNITED STATES (H. DOC. NO. 96-
49)**

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting for your consideration the budget of the District of Columbia for fiscal year 1980.

JIMMY CARTER.

THE WHITE HOUSE, February 1, 1979.

**APPOINTMENT AS MEMBERS OF
COMMITTEE TO ATTEND THE
MEMORIAL SERVICE OF THE LATE
HONORABLE NELSON A. ROCKE-
FELLER**

The SPEAKER. Pursuant to House Resolution 74, the Chair appoints as members of a committee to attend the memorial service of the late Honorable Nelson A. Rockefeller the following Members on the part of the House:

Mr. RHODES of Arizona;
Mr. BRADEMANS of Indiana;
Mr. STRATTON of New York;
Mr. ADDABBO of New York;
Mr. ROSENTHAL of New York;
Mr. HORTON of New York;
Mr. MURPHY of New York;
Mr. WYDLER of New York;
Mr. BINGHAM of New York;
Mr. CONABLE of New York;
Mr. HANLEY of New York;
Mr. McEWEN of New York;
Mr. WOLFF of New York;
Mr. BIAGGI of New York;
Mrs. CHISHOLM of New York;
Mr. FISH of New York;
Mr. KEMP of New York;
Mr. LENT of New York;
Mr. RANGEL of New York;
Mr. GILMAN of New York;
Ms. HOLTZMAN of New York;
Mr. MITCHELL of New York;
Mr. SCHEUER of New York;
Mr. OTTINGER of New York;
Mr. AMBRO of New York;
Mr. DOWNEY of New York;
Mr. LaFALCE of New York;
Mr. McHUGH of New York;
Mr. NOWAK of New York;
Mr. RICHMOND of New York;
Mr. SOLARZ of New York;
Mr. ZEFERETTI of New York;
Mr. LUNDINE of New York;
Mr. WEISS of New York;
Mr. GARCIA of New York;
Mr. GREEN of New York;
Mr. PEYSER of New York;
Mr. CARNEY of New York;
Ms. FERRARO of New York;
Mr. LEE of New York;
Mr. SOLOMON of New York;
Mr. JOHNSON of California;
Mr. ANDERSON of Illinois;
Mr. McCLODY of Illinois;
Mr. VANDER JAGT of Michigan;

Mr. DAN DANIEL of Virginia;
Mr. FORSYTHE of New Jersey;
Mr. LOTT of Mississippi; and
Mr. SHUSTER of Pennsylvania.

**BILL TO AMEND SOCIAL SECURITY
ACT INTRODUCED**

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, the bill that I am introducing today would amend the Social Security Act to extend to 1982 the waiver of the 24-hour nursing service requirement permitted for certain rural hospitals. The necessity for this extension arises because of a severe shortage of registered nurses in rural communities. Some of the small hospitals in my district say that there simply are no registered nurses available in the community and there is simply no way that they can meet the requirements to have a registered nurse on duty at all times. This problem was addressed by Congress before, and my bill would simply extend this waiver until 1982. By that time I would hope that our schools of nursing would have been able to supply us with the necessary nurses so that these hospitals can be fully staffed.

**THE LATE HONORABLE NELSON
A. ROCKEFELLER**

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PEYSER) is recognized for 60 minutes.

Mr. PEYSER. Mr. Speaker, as has been previously announced, the purpose of this special order is for Members of Congress to pay tribute to our late Vice President, Nelson Rockefeller.

□ 1115

Mr. Speaker, before I make my own comments concerning the Vice President, I would like to make reference to and then have inserted in the RECORD the full statement I have received today from our former colleague in the House and the former President of the United States, Gerald R. Ford, a communique concerning this tribute and the words that President Ford had to say concerning Nelson Rockefeller.

The statement of former President Gerald R. Ford is as follows:

Nelson Rockefeller's death has saddened and shocked his countless friends who knew him as one of this era's most unselfish and finest public servants. His dimension of influence in the last forty years was undoubtedly broader and deeper than any person in that time span. During World War II he was an advisor to President Roosevelt. He had an abiding interest and concern with our relations in Latin America and United States foreign policy worldwide. President Eisenhower used and respected his talents. The voters in his home state of New York elected him four times as Governor and he served them with distinction. In my Presidency I selected him as Vice President because he was the most qualified person to serve in that office and more importantly had every capability to be an outstanding President if that duty fell on his shoulders. I can say with emphasis that Vice President Rockefeller handled every assignment with skill, wisdom,

and total integrity. Our nation was fortunate to have a person available with his talent, experience, and dedication at a crucial point in our nation's history. Typically, after leaving government Nelson devoted his tremendous abilities to his long-held interest in the world of art.

As one views the breadth of his career, it is clear Nelson Rockefeller has written an indelible page of history of magnificent achievements. With his untimely passing the Nation has lost a remarkable statesman who still had much to give to his country and its people.

Nelson Rockefeller was loved by his friends especially by those who worked intimately with him. He always gave more of himself than he asked of others. A man of loyalty, integrity, and dedication to the highest principles. He stood tall and strong in the face of challenge and adversity. His associates and adversaries respected him for his wide-ranging abilities, firmness, and unquestioned honesty.

My life has been better because I knew and worked with Nelson Rockefeller. I truly loved him and will miss him as a friend in the finest sense.

Another communique that I have received, Mr. Speaker, is from Henry Kissinger, the former Secretary of State. In his brief statement he says:

FEBRUARY 1, 1979.

Nelson Rockefeller was the greatest American I have ever known. The public admired him for his courage and his vision. His friends will miss him for his sensibility, insight and loyalty. His family will mourn his infinite capacity for love. The world will be without his faith and compassion. He lived for service to his country and mankind. He died with confidence in freedom and the human spirit. We shall miss him greatly.

HENRY A. KISSINGER.

Also, Mr. Speaker, our former colleague in the House and now Governor of the State of New York, Governor Carey has sent a message as follows:

Nelson A. Rockefeller was a singular man, unique in his ability to provoke critical statements about him, yet four times was elected to the governorship of the greatest state in the nation and sought as a Vice President in one of the nation's times of greatest need.

For those who did not know him, he must have represented one of the greatest paradoxes of this century.

But I knew the former Vice President and Governor from my earliest days in Congress, when he and I together fought and won the battles to bring federal aid to New York State.

His was a boundless energy and contagious enthusiasm.

He had a combative spirit, a steeled determination, a futuristic vision, and a "Rocky" courage.

He dedicated his adult life to public service, placing the public good he hoped to achieve ahead of private pursuits, a path he followed until called to a new service beyond that of this world.

Somehow he imparted this image to the people he met, to the New Yorkers he loved, so that his enormous achievements became their own.

He led a life to emulate, a life that is perhaps best expressed in words he used, a life that "expresses our faith in ourselves and our belief in the future."

It is that kind of thinking that is needed today, and if it were adopted, it would be one of his greatest legacies.

For Nelson A. Rockefeller was born to wealth and power, and he aspired to the Presidency. He often said that with his birthright, to what other goal could he aspire?

But others have had similar birthrights.

How many of them gave to their country what Nelson Rockefeller was willing to give?

As an inspiration to his fellow men, Nelson Rockefeller reached a goal higher even than the office to which he aspired.

That he was not President was not his loss alone, but the nation's as well.

One other communique I have also, Mr. Speaker, from our former colleague and now the mayor of New York City, Ed Koch. He has written to me today and he says:

On behalf of all New Yorkers, for whom Nelson Rockefeller was a symbol of the energy and style that is uniquely associated with people who accomplish great things in our great City, I would like to pay this tribute.

As a Congressman, I was pleased to vote for Nelson Rockefeller's confirmation as Vice President of the United States. This was a vote I cast untroubled by indecision, a vote I cast as an act of faith in, and support for, a fellow New Yorker I knew to be of great talent and ability.

He served us well.

We New Yorkers live amid some timeless monuments which were built by the Rockefellers: Rockefeller Center—a stunning and ever-fresh landmark in urban design—and the Riverside Church, to name just two. There are the contributions to our City's skyline which were made during his years as New York's Governor: the twin towers of the World Trade Center, Harlem's State Office Building. There are other monuments, less visible but perhaps even more enduring. He enhanced the systems and facilities of the State University of New York. His philanthropies were innumerable. The meaning and the results of his largesse, and that of his family, in support of civic, cultural and humanitarian causes may not be tabulated and evaluated for generations to come.

But the epitaph which I feel to be most fitting, as a former colleague and an admirer of many of his qualities, is this:

Nelson Rockefeller spent his time and his talents generously and unstintingly. He gave of himself lavishly and openly. These inner qualities were, in the final analysis, what made him truly "as rich as Rockefeller."

All New Yorkers were—and are—the beneficiaries of his legacy, and for this we are grateful.

Those are the statements from some of the former Members and colleagues, Mr. Speaker.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I am pleased to yield to the Speaker.

Mr. O'NEILL. Mr. Speaker, I am highly honored to join my distinguished colleague, the gentleman from New York (Mr. PEYSER) in paying tribute to one of the most outstanding public servants of my lifetime, the Honorable Nelson Rockefeller.

Four terms as Governor of New York, the 41st Vice President of the United States and three times a Presidential candidate, Nelson Rockefeller's career as a distinguished public servant has had an indelible mark on the political, economic, and social life of this Nation for the past three decades.

No one else in public life has brought more enthusiasm and energy to his duties than Nelson Rockefeller. Nelson was one who truly loved politics. It was in his blood. He could never retire from being an active participant in helping to shape and to fashion the economic goals of our Nation.

□ 1120

I had the good fortune to become well acquainted with Nelson Rockefeller during our leadership meetings at the White House when he was Vice President.

Nelson Rockefeller was one of the most outgoing and personable politicians I have ever known. His public personality demonstrated a genuine enjoyment of people and his career was a total commitment to public service.

Nelson Rockefeller was a politician and a statesman of the highest caliber, and a real progressive within the traditions of the Republican party.

During my lifetime in politics I have had the opportunity of knowing the great of this Nation. By "the great" I mean those in the field of public life. And, truly, I have only met three people who had a flair, who had charisma, who had an attractiveness that was exceptionally outstanding, so that people, wherever they went, would throng about them and literally blossom, and I would have to say that those three people were President Franklin D. Roosevelt, President John F. Kennedy, and Nelson Rockefeller.

I can recall the first time I ever met Nelson Rockefeller. It was when I was flying to Boston and he was in the same plane sitting next to me. This was about 1953. He was on his way to his summer home in northeast Maine. I was reading the CONGRESSIONAL RECORD. He noticed that I was reading the CONGRESSIONAL RECORD and asked me if I were a Congressman. We had a long discussion.

It was during the Truman administration, and Nelson Rockefeller had just came from a meeting with President Truman about conditions in Argentina.

Also, Senator Saltonstall walked up, and I introduced him to Nelson Rockefeller—and, incidentally, that was the first time that he had ever met Senator Leverett Saltonstall—and the three of us chatted for a while in the plane. I think it was 6 or 8 years later before I met Rocky again, and he picked out that incident when we had met on the plane and remembered in detail the conversation we had had.

Nelson Rockefeller truly loved this Nation and lived serving its people. Perhaps his credo can be exemplified by the statement he made when he was sworn in as Vice President in 1974:

I feel a great sense of gratitude for the privilege of serving the country I love.

Millie joins me in expressing our sympathies and condolences to Happy Rockefeller and the Rockefeller family. America truly misses this great public figure.

Mr. PEYSER. Mr. Speaker, I thank our distinguished Speaker, the gentleman from Massachusetts (Mr. O'NEILL) for the remarks he has made.

I would also ask permission at this time to submit a number of statements that I have received from Members and also from those Members that are here, as well, so that they may be submitted in their entirety.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I am happy to yield to

the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

It is for me a sad moment as I join in today's special order memorializing one of our Nation's leading statesmen, Nelson A. Rockefeller.

His death is not only a loss for our State and Nation, but for the entire world. While Nelson Rockefeller came into the world blessed with material wealth, he left us blessed with a wealth of accomplishments for humanity.

During my earlier work in the New York State Legislature and more recently in Congress, I had many occasions to call upon Nelson Rockefeller for guidance and assistance and always found him ready and willing to help resolve problems confronting our people and our Government.

James Reston, in writing of Nelson's inner strength, said our former Vice President was "a rich man with a sense of pity for the poor—always worrying about his 'image' as a fabulously wealthy 'outsider.' He had an almost childlike faith in democracy and a yearning to prove that, despite his wealth, he was 'one of the boys.'"

As Governor of New York, as our Nation's Vice President, and as a world statesman, philanthropist and humanitarian, Nelson Rockefeller stood tall for good government, for better education, for fostering civil rights, for fighting crime, for expanding health care, and for a responsible American role in the community of nations.

The Washington Post, in commenting on Nelson Rockefeller's demise, said:

Whether it was a passionate concern with American foreign and defense affairs or with the economic health of New York State, or with the lifting of the heavily repressive laws and customs that had permanently punished the racial minorities in America—Nelson Rockefeller always had a personal impulse for involvement and engagement and for making things better than he had found them.

Nelson Rockefeller was not just "a big man"—he was a giant in our times and in our Nation's record of accomplishments for mankind.

I join with my colleagues and my constituents in the 26th Congressional District in New York, in offering condolences to his wife, Happy, to their children, and to the entire family of Nelson Rockefeller. We will sorely miss him.

□ 1125

Mr. PEYSER. Mr. Speaker, I thank the gentleman from New York (Mr. GILMAN) for his comments.

GENERAL LEAVE

Mr. PEYSER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Nelson A. Rockefeller.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, before the gentleman from New York (Mr. PEYSER) concludes his special order, I would like to commend him for taking this special order so that we can all join in paying tribute to the former Governor of our State and to the distinguished former Vice President of the United States.

I made some comments the other day when the resolution was adopted expressing the condolences of the House over the passing of Nelson Rockefeller. I just want to add now one additional comment, because in the last couple of years, the New York State congressional delegation has made a number of efforts, and we are still making those efforts, to consolidate our position in the House, to try to work together in the interests of our State, and to try to use the numbers which we have, although we are only the second in the Nation now rather than the first, to get legislation which is beneficial to our State.

I think that this recent effort, however, should not prevent an appreciation of the fact that the one person who probably did more to try to get the New York congressional delegation to move together as a unit in behalf of New York State was Governor Rockefeller from the time he first became Governor. At that time Manny Celler, the distinguished long-time dean of the House, was the chairman of our delegation; and Governor Rockefeller, although of the other party, just having been elected Governor, went out of his way to cultivate Manny Celler. He invited the Members of our New York delegation to dinner a couple of times in Washington. I remember, and also back in New York City in an effort to try to make sure that the actions of the New York congressional delegation and of the Governor were coordinated in behalf of the interests of our State. He did it, I judge, probably very largely, as he did with respect to so many other things, out of his own pocket.

In any event, the Governor did achieve a great deal in terms of cooperation as a result of these efforts. That aspect of his leadership, I think, has perhaps not been adequately recognized here in the House during these tributes, and I wanted to comment on it.

Nelson Rockefeller's charisma and his enthusiasm are something which we all recognized, and certainly we are going to miss him as a great public figure.

Mr. Speaker, my wife Joan and I join in extending our deepest sympathy to Mrs. Rockefeller and the whole family.

Mr. PEYSER. Mr. Speaker, I thank the gentleman from New York (Mr. STRATTON) for his thoughtful comments.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I, too, want to commend the gentleman in the well for taking this special order so that we may pay tribute to this great American, Nelson Rockefeller.

Mr. Speaker, Nelson Rockefeller was one of my favorite people. Oh, we did not always see eye to eye on our political

views, but I nonetheless regard Nelson Rockefeller as a great man with many accomplishments in the public weal as Vice President of the United States and as the four-times elected Governor of the State of New York.

Nelson Rockefeller was a very interesting person because he did not fit the norm in the sense that he was a most superior person who sought both to be and to lead the common man. I admired him greatly for his ability. I admired him because he was not willing to sit on the sidelines, which he could easily have done with his great wealth. He could have withdrawn from politics and the many disappointments and insults he had to endure.

To me, he was a man of great principle. Probably, he would have had a far better chance of receiving the nomination of the Republican Party for the Presidency if he had been willing to relax those principles. But, I admire him for sticking to his principles.

He gave unselfishly of his many talents and time in the Nation's cause and in the vineyards of the Republican Party. Nelson Rockefeller died as he had lived—at work. He had undertaken a new project to make available to the public reproductions of his remarkable collection of works of art which he had assembled over his lifetime.

I remember him best as a person who was always nice to me on the few occasions I had to go to his office when he presided over the Senate. He was never too busy to pause and make me feel welcome.

He has left an indelible mark on our Nation, and he will be missed.

Marjorie and I wish to express our deepest sympathy to his wife, Happy, and his family.

□ 1130

Mr. PEYSER. Mr. Speaker, I thank the gentleman from Ohio.

Mr. Speaker, I would like to take this opportunity to make one or two personal comments concerning Nelson Rockefeller as I knew him. I had the privilege of representing him nearly 7 years in this Congress as one of my constituents. More important to me in many ways was my relationship with him over the years and during his early life in 1964 and 1968 when he was interested in achieving the presidency of the United States. I regret more than ever as time has gone by that I and other people who were working with Nelson at that time were not successful in helping him achieve that goal, because there is no question in my mind but that he would have been one of the outstanding presidents of our country.

However, Nelson also had a quality about him that we have heard referred to by several Members today that was a very human personal quality—the ability to talk with anyone. I think that anyone who has followed New York politics remembers the scenes of Nelson Rockefeller on the beach at Coney Island eating hot dogs and knishes and being with the people, and making the people feel, as he felt, that he really was enjoying being with them and taking part in their activities.

It was just a very few years ago on one of those trips when he was running for office and he was out on Coney Island on a very hot August day with millions of people, and he had been handshaking and working his way through, that he suddenly decided it was so hot he was going in for a swim, whereupon he promptly took off his clothes except for his shorts and went in the water for a dip and then came out. Of course, the crowd loved it, and Nelson loved it also.

He was also this kind of a person. I recall a meeting we had in his home here in Washington just a couple of years ago where we were sitting around in the dining room, and he picked up a pot of coffee to pour it, and he found out there was no coffee in it, so even though there were all sorts of servants around, Nelson got up and took the coffee pot, went out in the kitchen, got the coffee and came back. It was just a touch of the kind of thing that he did.

He was also—and I would lay emphasis to this because I know he would—a very strong man physically. He was a very physical person, and his background and activity and his strength in his campaigning really came from this strength that he had. I recall back in 1974 he and I were attending a labor convention together in upstate New York, and when we arrived, his wife, Happy, was with him, and we were walking toward the hotel. There were a couple of thousand members of the labor union outside to greet him, and in their enthusiasm they sort of closed in on us and were, frankly, crushing us. Nelson turned to me and said, "Peter, you hold onto Happy and just follow me." He put his shoulder down, and he plowed a line right through that group like a blocking back going through, and we got safely into the hotel. But I just mention this for an insight into a figure that to some may be remote as one of the richest men in America, and a Vice President and a Governor, but who in reality was a wonderful person, a tremendously decent person, and one who always would give everyone a chance to do his thing, if you will. Whether he agreed or disagreed with them, he was willing to fight for their right of expressing their own points of view.

I think finally, Mr. Speaker, the tribute—and it is not a tribute that I can make, but it is a tribute—that his son Nelson, Junior, who is 15 years old, stated just a few days ago at the family funeral, the private funeral, in the words that were said, I think expresses a side of Nelson Rockefeller that many have not seen, and gives an insight into this man. I am quoting from what his son Nelson said. He said:

Dad, we know how much you love us, and we want you to know how much we love you and how much we are going to miss you. Your spirit will live with us forever.

There is little else that, frankly, a man can ask for in his lifetime than to know that his children have that kind of a feeling and that deep a concern and love as his own family has had for him.

● Mr. PRICE. Mr. Speaker, I want to join my colleagues today in paying trib-

ute to a great public servant, Nelson Rockefeller.

With all the wealth to which he was born, Nelson Rockefeller could have led a carefree life of leisure. Instead, he chose to serve his State and his country. He unselfishly dedicated himself to public service and for that we all owe him a great deal.

When Nelson Rockefeller became Vice President of the United States, he did so at great personal sacrifice. But he knew that the country needed a leader with his integrity. He came to Washington and helped guide his country through a difficult period and it was his honesty and his candor that characterized him then and throughout his years in public life.

His oft-imitated voice and his boundless energies on behalf of the public good will be missed by us all.●

● Mr. YATRON. Mr. Speaker, last week this country lost a great man, a contemporary man—so much a part of our times—so sensitive to the challenges facing our great Nation—so much a participant in the monumental decisions and events of our day, that he exemplified the very essence of the vitality and exuberance that is America.

The Honorable Nelson A. Rockefeller was a man who saw through the confusion of the moment to the heart of the moral issue involved; he was a man who steadfastly adhered to a firm sense of justice; he was, indeed, a great American.

Nelson Rockefeller's absence from our lives will be greatly felt, but the legacy of outstanding public service he has left behind will inspire generations to come.●

● Mr. McHUGH. Mr. Speaker, I am privileged to join with my colleagues in honoring the memory of Nelson Aldrich Rockefeller.

He was a man who throughout his life served his State, his country, and the whole human family with rare dedication and with great love.

Most people knew him as a rich man. He used his wealth, however, not so much to make life easier as to make it better. And he did so not only for himself but for others, and for generations to come. He enriched us all.

He valued things of the spirit, and made it possible for other to share his love of great artistic symbols of human achievement. He enhanced our lives, by expanding our understanding of our world and its lasting legacies.

He loved the human family and especially his own country. A man of global vision, he helped us to see how patriotic love for ones own country could serve the world, how the public interest of one nation is best served by the common welfare of all nations. He ennobled our vision not only of national but of global politics.

His greatest joys came from service to others. His career as a public servant spanned many years of our Nation's history, and it was characterized by his courage, his honor, his compassion, his persuasiveness, his energy, and his dignity. A newspaper which serves my congressional district, the Middletown Times-Herald Record, admirably summarized his illustrious career in an editorial comment:

This one-of-a-kind man served every president from Franklin Delano Roosevelt on. Not only conversant with but an expert on Latin American affairs, he also had wide knowledge of global matters as well. He had the knack of gathering around him the most accomplished and experienced persons. A thirst for quality was his hallmark.

When we contemplate such a rich and full life, Mr. Speaker, and rejoice at the many ways in which Nelson Rockefeller blessed our lives, it is ironic that many will remember him as a man who sought but did not attain the American Presidency. For my own part, I prefer in thinking of his greatness to remember the kind of judgment suggested in the words of Horace Mann:

Be ashamed to die until you have won some victory for humanity.

In that sense, Mr. Speaker, I have no doubt what the judgment of history will be: Nelson Rockefeller was a winner.●

● Mr. WILLIAMS of Ohio. Mr. Speaker, on the night of January 26, 1979, the United States and the world was shocked by the death of Vice President Rockefeller.

Nelson Rockefeller was an extremely wealthy man who could afford to do anything he wanted—and he chose a life of public service and politics.

He had served seven Presidents in his lifetime in various positions involving both foreign and domestic policy.

While he was denied the position to which he aspired the most—the Presidency—he was a man who left his mark in both his State and Nation.

His death leaves us a little bit poorer. We will miss him.●

● Mr. AMBRO. Mr. Speaker, I had the opportunity of serving as first an appointed official and then as the elected supervisor, or chief administrative officer, of the town of Huntington on Long Island during our late Vice President Nelson Rockefeller's 14 of his 16 years as Governor of New York State. In that capacity, I had the good fortune to watch and to work closely with one of the finest public servants the Empire State, and the Nation, ever produced.

Nelson Rockefeller was throughout his long and fruitful life a "public man" in every sense of that word. Born to affluence and power that most of us in this Chamber have difficulty ever comprehending, the source of Nelson Rockefeller's appeal first as Governor and later as Vice President of this great Republic was his understanding of, and his feel for, the problems and the needs of the common man, for the poor, and for the destitute. That he was in a very real sense, able to see beyond the blinding wealth that surrounded him and bring into focus the faces and the very emotions of those who looked to him for compassion and understanding and who came to love him deeply is testimony to his vision and his wisdom.

For more than half a century, this great American gave new meaning to the old concept of noblesse oblige. He gave not merely of his great personal fortune and his financial resources, but of his spirit, his intellect, and all of his strength.

He was taken from us while he still

had a great deal more to give and in that we all lament. But lest we dwell too long on what we have lost, let us reflect instead on how very much he gave and how much all America gained from his giving. I was honored to have served with Nelson Rockefeller both in New York State and later in the Nation's Capital, and honored to have known this great, dedicated human being.●

● Mr. BOLAND. Mr. Speaker, I join with my colleagues in mourning the death of Nelson Rockefeller.

In over 30 years of public service, both at the Federal and the State level, Nelson Rockefeller compiled a distinguished record of achievement. He loved the challenge of the problems with which a public official is faced. He brought to these problems a spirit of exuberance and confidence thereby infecting those around him with enthusiasm for the task at hand. He sought to stimulate an exchange of ideas about the problems of the future while working to implement solutions to the problems of the present.

The programs Nelson Rockefeller advocated during his 15 years as Governor markedly influenced the lives of the people of the State of New York. Through his leadership, substantial advances in education, health care, and housing were achieved. His reputation as a bold, imaginative executive was well deserved.

That Nelson Rockefeller aspired to the Presidency is well known. That he never achieved that goal is of little consequence. The disappointments which he experienced did not dim his enthusiasm for public service. When asked by President Ford to serve as Vice President, an office he had never sought, he willingly agreed. In accepting that appointment, he said:

I feel a great sense of gratitude for the privilege of serving the country I love.

That is the spirit in which he lived and that is how he should be remembered.●

● Mr. MAZZOLI. Mr. Speaker, with the death of former Vice President Nelson A. Rockefeller, the Nation has lost a truly great leader and statesman.

It is a rare individual who combines a commitment to public service with the personal appeal and sensitivity to the problems of the needy in the way Nelson Rockefeller did. His dedication to improving the quality of life, first as Governor of New York and then as Vice President, was steadfast and exemplary.

The Nation will miss Nelson Rockefeller's presence on the American political scene.●

● Ms. FERRARO. Mr. Speaker, today I join my colleagues in paying tribute to Nelson Aldrich Rockefeller. The loss of this man, who devoted 30 years of his life to public service, will be deeply felt by all Americans who cherish that which is good about this country.

Born to privilege, Nelson Rockefeller felt compassion for the underprivileged. A powerful man, he turned his attention to the powerless. Under his stewardship, New York State's educational, cultural, and economic development was unparalleled. His energy, enthusiasm, and compassion compelled him to develop forward-thinking programs which have

served as models for other States, and the Federal Government as well. His efforts resulted in this Nation's most outstanding State university system. He presided over the construction of 100 new hospitals and nursing homes, and made New York's mental health facilities more progressive. In a period of social unrest, he responded by improving public housing programs and encouraging urban redevelopment. His personal dedication to the arts contributed to New York's stature as the cultural center of the Nation.

As Vice President, Nelson Rockefeller restored his people's faith in the integrity of this Government. His National Commission on Critical Choices broke new ground in the effort to improve decisionmakers' ability to look ahead into our Nation's future.

It is fitting that this man, who throughout his life gave of himself for others, died while at work late one evening. All civil servants can take a lesson from the determination Nelson Rockefeller brought to his work right to the end.

Mr. Speaker, the accomplishments of Nelson Rockefeller cannot be summed up by me or the rest of my colleagues in 1 short day. However, we can all join in the joy of his accomplishments and in the heartfelt sympathy which all Americans extend to his family. ●

● Mrs. CHISHOLM. Mr. Speaker, it is a great honor to be able to join in this tribute to my dear friend, Nelson A. Rockefeller. I believe that Nelson will be remembered for the political leadership which he gave to the State of New York and the Nation, as well as his compassion for the cause of the underprivileged, and his down to Earth nature.

For nearly a generation, Nelson Rockefeller held the reins of power within the State of New York, and under his direction we saw a dramatic expansion of our State university system, the construction of over 30,000 units of new housing through the Urban Development Corporation, and the expansion of our municipal hospital system. Without question, Nelson's achievements are unrivaled in the history of the State of New York.

I will always remember the warmth and friendship which Nelson extended to me when I arrived in Albany to serve in the State legislature in 1965. I was always able to count upon his support for programs to expand educational opportunities to minority youth and other issues not readily supported at that time.

In a career in the political spectrum, it is expected that one must accept the bitter with the sweet. Although he enjoyed an extremely successful career, we all know that Nelson often had to accept defeat in his quest for national political office. I believe that it is a tribute to his character that defeat never signaled a retreat from public service, and that he continued to "fight the good fight" till his untimely death.

It was my privilege to testify before the Senate's confirmation hearings on his appointment to the Vice Presidency, and he was honored to be able to serve our country in the second highest office. It is unfortunate that the nature of this office

prevented him from giving this country the type of imaginative leadership which he was so capable of offering.

Of all of the individuals that I have worked with in public life, I will always hold Nelson Rockefeller in the highest regard. History will measure the fantastic contributions which he has made to our society, and his accomplishments will be remembered by us all. ●

● Mr. WILLIAMS of Montana. Mr. Speaker, I met Nelson Rockefeller once, over a decade ago. He was in Montana to speak at a Governor's prayer breakfast.

At the time, I was on Hubert Humphrey's Presidential campaign staff. Despite the fact that Mr. Rockefeller was also a candidate, and from the other party, I was drawn to the breakfast, because Mr. Rockefeller was a strong voice for America. He represented his party well. He understood that to be respected abroad we must build a society which is respected here at home; a society in which every citizen, every small businessman, every farmer, and every laborer has the opportunity to develop, to earn, and to serve.

I had then, and have today, high regard for Nelson Rockefeller. He met the political challenges from our party and from his own with grace, charm, and good humor. ●

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I rise to join my colleagues in commemorating the life of Nelson Rockefeller. His death Friday night was a shock to all and a loss to the Nation.

It is hard to believe that the energy, vigor, and unbridled enthusiasm of this man has been quieted. He was a man whose verve for living was only matched by his determination for doing. For some 35 years he was in the forefront of American politics. One could list the many offices he held—Governor, Vice President, Assistant Secretary of State, et cetera—but whether a public official or a private citizen, he worked continuously to further what he believed to be the best interest of America.

Nelson Rockefeller gave of himself totally and without reserve. He has added a still further dimension to the name of "Rockefeller," already so much a part of American history.

We can all learn from his example of service and energy. The Nation and the world will miss this strong, youthful, 70-year-old man. ●

● Mr. HORTON. Mr. Speaker, the United States has lost one of its most outstanding leaders. Nelson A. Rockefeller, four-term Governor of the State of New York, 41st Vice President, and a man of unparalleled energy and activism, contributed immensely to the political, cultural, and economic life of this Nation. His many gifts to America in the 1940's, 1950's, 1960's, and 1970's cannot adequately be judged. It is fair to say, however, that few Americans will endow so many as Nelson Rockefeller did.

Rockefeller began his Government service in 1940 when he became coordinator of inter-American affairs under Franklin Roosevelt. Following the war, he went on to serve under President Truman where he was instrumental in formulating the Point Four program of for-

eign aid to underdeveloped countries. Under the Eisenhower administration, Rockefeller was an Undersecretary in the then newly created Department of Health, Education, and Welfare. And in 1958, Nelson Rockefeller left the Federal Government to run for Governor in New York State. He was reelected to three succeeding terms.

During the 16 years that he was Governor, between 1958 and 1974, I had the honor of working with Nelson on a number of issues. During the long, and often difficult struggle to gain congressional approval of general revenue sharing, Nelson's advocacy proved of immeasurable assistance. Nelson and I also campaigned together extensively throughout the State. The last time, while he was Governor, was in 1972. Nelson was also on hand, at my request, for the dedication of a new building at Highland Hospital, in Rochester, while he was Vice President. These are just a few of the issues on which we worked together.

Although he was never successful, in his quest for the Presidency, Nelson Rockefeller used his considerable private advantage to help solve many of the problems of the Nation. One of his notable projects was the creation of the Commission on Critical Choices, which brought together experts and scholars from a variety of fields to examine long-range problem areas such as energy, food, world population, and quality of life.

In the final analysis, Nelson Rockefeller will be regarded by his fellow Americans as a man of extraordinary courage, determination, and an abiding concern about the future. America was richer for Nelson Rockefeller's service to his country. His death is, therefore, not only a personal loss, but a national one as well. ●

● Mr. RAHALL. Mr. Speaker, in the week since his untimely death, Nelson A. Rockefeller has been called, philosophical, an activist, fascinating, charming, complex, and sometimes confounding.

As a politician, Nelson Rockefeller served his Nation and State as a Governor and Vice President.

I personally believe, Mr. Speaker, that the highest compliment that can be paid Nelson A. Rockefeller, is the fact that he was a true human being.

Politicians come and politicians go. Some are special and some less so. As a man, Nelson Rockefeller will be remembered. ●

● Mr. ANNUNZIO. Mr. Speaker, I rise in tribute to the Honorable Nelson A. Rockefeller, the late Vice President and former Governor of the State of New York. The death of Vice President Rockefeller has left a void in the public life and leadership of our Nation. He was a remarkable man, a man both very brave in public life and very strong in the causes for which he fought, and he served the American people with devotion and dedication.

Nelson Rockefeller began his career of leadership in 1940, when he joined the State Department as Coordinator for Inter-American Affairs, and assisted in the creation of President Roosevelt's "Good Neighbor" policy toward Latin America. In 1944-45, he was Assistant

Secretary of State for the American Republics. During the late 1940's he became active in the founding of the American International Association for Economic and Social Development, a private, non-profit group working with Latin American governments on agriculture, development, and nutritional research, and also assisted in the organization of the International Basic Economy Corporation, designed to encourage investments in Latin America.

President Truman appointed Mr. Rockefeller to the chairmanship of the International Development Advisory Board in 1950, where he worked for a year on the Point Four technical aid program. Under President Eisenhower, he served as Undersecretary of Health, Education, and Welfare from 1953-55, and then was made a special assistant to the President for foreign affairs. Elected to New York State's most important political office in 1958, Governor Rockefeller served the people of New York beginning January 1, 1959, and remained in office until 1973. His distinguished and creative record won the hearts of New Yorkers, and he will always be remembered by his fellow citizens of that State with affection and gratitude.

In 1973, Governor Rockefeller resigned and the next year President Ford appointed him Vice President, where he served with integrity and wisdom. Nelson A. Rockefeller was a man of deep conviction, independent in thought and action, and was willing to challenge any person or institution in the pursuit of his high ideals. His character and career alike were a vindication of democracy in an era marked by new forms of tyranny, political disillusion, and small-minded partisanship. America has lost a great man.

Mr. Speaker, I extend on behalf of Mrs. Annunzio and myself our deepest sympathy to his devoted wife and members of their family. ●

● Mr. WRIGHT. Mr. Speaker, the passing of Nelson Rockefeller is indeed a loss to the Nation. He was one of the vibrant forces in national affairs. He always had ideas to contribute and energy to give toward making this a better country and better world.

It was only a few short years ago that he was nominated for the office of Vice President. I was one of those who supported his confirmation under that new procedure established by the 25th amendment to the Constitution. At the time the only grounds anyone could conceive upon which to oppose his confirmation were that he was too wealthy or that he had contributed too much money to various public causes. Well, of course, wealth or the lack of it should not be a disqualifying factor, any more than it was in the case of John F. Kennedy, and one's philanthropies have never been regarded as either sinister or unworthy.

Hearing the news of his death last weekend brought back the personal recollections I have of my various associations with him.

For approximately 10 years, in the consideration of legislation involving such matters as water pollution abatement, economic development, highway

and port improvements, I heard testimony from Gov. Nelson Rockefeller as he appeared before the House Committee on Public Works, on which I served.

At these hearings, typically, a Governor will have a prepared statement and will be accompanied by staff personnel to assist in the factual answering of specific questions posed by members of the committee.

In the case of Governor Rockefeller this cautious procedure was abandoned, and he testified openly and candidly. In all of his appearances before that committee, I was deeply impressed by his unique skills, broad knowledge, and total dedication to the solution of his State's and the Nation's problems.

Consistently Nelson Rockefeller displayed a profound depth of knowledge and a truly surprising capacity for detailed information. While accompanied by a battery of experts, he hardly ever had to call upon them for a complete and factual answer to specific and sometimes difficult questions posed by committee members. In almost every instance he had the information we desired at his very fingertips and replied lucidly, responsibly, and informatively to an almost infinite variety of questions.

More than once he volunteered suggestions which were innovative and creative.

Subsequently I had the privilege of serving with him as a member of the National Commission on Water Quality, of which he was chairman. Here his decisive leadership and great executive ability became known to me. He had the ability to assimilate enormous volumes of information, to sift through the outer froth and burn quickly to the center core of each issue. His ability to organize professional staff and consultants was unrivaled in my experience.

All of this I recall with some sadness now, knowing he no longer will be a part of our national life. But his contributions, in many forms, will live on.

Nelson Rockefeller was a great American, and he will be missed. ●

● Mr. RUSSO. Mr. Speaker, I consider it a high privilege to join my colleagues in this bipartisan tribute to one of our Nation's most respected statesmen.

I was impressed by Nelson Rockefeller's warmth and cordiality when I first met him at a White House function in 1975. He had that unique capacity when speaking directly to a person, of conveying a feeling that you were already friends and that he was truly interested in what you were saying. Nothing could have impressed a brandnew freshman Congressman more than the attitude of acceptance which Mr. Rockefeller displayed toward us younger Members of Congress.

In spite of, or some might say because of, his background and the fact that he was a member of one of the most outstanding financial families in these United States, Nelson Rockefeller was a regular guy. I mean nothing belittling or derogatory by that term. In my book, a regular guy is someone who as a friend can be depended upon, who is courteous and respectful to others and yet is not beyond showing a little emotion when riled.

Mr. Speaker, Nelson Rockefeller's attitude toward others and the recognition of his role as an elected official was shared by his wife, Happy, and I would like to take the liberty of sharing a small anecdote which exemplifies this.

During the summer of 1975, the sister and brother-in-law of one of my staff members was visiting from California. A tour of Mount Vernon was on the itinerary and while down at the Mount Vernon boat dock, the staff member noticed an inbound motor boat moored to the dock. Commenting to her relatives that the boat must belong to someone important, because of the obvious Secret Service men on board, they decided to wait around and see who it was.

It was not long before a small group of people came down the path with Happy Rockefeller in the lead. To make a long story short, Mrs. Rockefeller was most gracious to everyone on the dock, putting her arm around the youngsters for a picture taking session and shaking hands with the nervous, but obviously delighted adults. A small event, to be sure, but one that is always recalled with warmth and affection.

Mr. Speaker, I can speak only for myself, but it is for approachability like this that the Rockefellers deserve a place in our memory and I, for one, will long remember Nelson A. Rockefeller with sincere reverence, deep regard, and great respect. ●

● Mr. SENSENBRENNER. Mr. Speaker, today we honor the memory of one of the most talented and dedicated public servants this country has ever known—Nelson A. Rockefeller.

He certainly did not have to serve us in the many capacities that he did. His family and personal wealth could have easily enabled him to sit back and do nothing, comfortably. But he took a rarer, more admirable view that his wealth could be used as a tool to accomplish great good for his fellow man, by freeing him to channel his dynamic energy into public service.

Rockefeller's public service was a record few, if any could match—U.S. Coordinator of Inter-American Relations, Assistant Secretary of State, four terms as Governor of New York, and finally as Vice President of the United States. He never refused an opportunity to serve the country he loved so well.

But unfortunately he never achieved his life's ambition—to be President of the United States. Despite his years of public service, his influence in world affairs, the prestige and power of his family, and his unparalleled determination, the Republican Party he was so loyal to always turned aside his bids for its Presidential nomination.

One could speculate that Nelson Rockefeller might have achieved his lifelong goal if he had done things differently. But that course would not have been Nelson Rockefeller's way of doing things. Instead of compromising himself on what he believed in, he fearlessly took sometimes unpopular stands and forged ahead to seek solutions to problems most politicians would have sidestepped. Perhaps because of that quality he is better

remembered as being a statesman rather than a politician.

The United States and the Republican Party owe Nelson Rockefeller a great debt, for he contributed a vitality to our Government and politics too rarely seen. He was a genuine leader who, by the force of his personality and ideas left our country a better place.●

● Mr. CORMAN. Mr. Speaker, shock and a deep sense of sorrow followed the news of former Vice President Nelson Rockefeller's death. He is eulogized as a man of wealth and dedication whose greatest ambition was to be President of the United States—a dream he never realized.

For four decades Nelson Rockefeller committed himself to public service—a 20-year veteran as an appointee of three Presidents, a four-term Governor of the State of New York, and the 41st Vice President of the United States. This Nation has lost a rare man whose qualities as a statesman and party leader will be hard to equal. He was truly a dedicated public servant.

Nelson Rockefeller shouldered his greatest burden as Vice President. He was only the second man to reach that office without the vote of the American people. He took on the onerous task of restoring public trust and confidence in the highest elective offices of this Nation. His success reestablished faith in our system of Government and helped heal divisions within the country.

Nelson Rockefeller knew defeat and disappointment well, whether at the hand of fate or destiny. He fought hard for his convictions and ambitions to be President. He sparked lively debate and provocative discussions. When he won he won with dignity and robust enthusiasm. Yet, when defeated, he accepted it without bitterness and lost with grace.

In 1977, Nelson Rockefeller bowed out of the political arena, and turned to his greatest avocation—his art collection. Rockefeller said that art was a major factor in his life, his joy, his distraction, and his balance under the pressures of politics. At the time of his death, Nelson Rockefeller was working to make his collection more accessible to the public. He left us not only with a legacy of a lengthy and productive political career, but with a renewed interest in making art and the humanities a greater part of life. In his last actions, he shared not only his exquisite collection of modern art, but also some of his own personal reflections on the subject.

Nelson Rockefeller will be missed by all whom he served in public life and all who followed nearly four decades of political history in the making.

My wife, Nancy, joins me in extending our deepest sympathy to the Rockefeller family in this tragic hour of grief and sorrow.●

● Mr. ROSENTHAL. Mr. Speaker, the loss of a man like Nelson Rockefeller is felt by all Americans.

Nelson Rockefeller was a friend to all people. Instead of leading a life of leisure, which he could easily have done, he dedicated his life to serve the betterment of this Nation.

He entered politics with mind and

body, but more importantly, with his heart. He did this gladly and unselfishly, giving all he could possibly give. He understood and cared for the working people and their problems. His efforts and enthusiasm were contagious to all who worked for him, with him, and even to those who elected him. He was able to reach out and touch all Americans with his love and wisdom.

Mr. Rockefeller was devoted to New York State. He implemented his policies with courage and determination. There may have been disagreement over policy or procedure, but there was no question of his sincerity or integrity. As Governor he stood by his convictions and all New Yorkers knew they had a friend and ally in Mr. Rockefeller. He will truly be missed.

During his political life, he encountered both victory and defeat. He faced these with his head high and his eyes ahead with grace and dignity. These qualities cannot be found in many, but they were always evident in him.

There is a saying that with every good-bye you learn. So as we say farewell to Nelson Rockefeller, we can learn from him by remembering the qualities and virtues he possessed. For he was a man with true strength, courage, and dignity. His love and dedication to America should serve as an example to all.●

● Mr. MONTGOMERY. Mr. Speaker, we and our fellow Americans lost a true leader with the passing of former Governor and former Vice President Nelson A. Rockefeller. It is reported that he had told his sons he would live to be 100 in keeping with the long lives of his father and grandfather. I cannot help but realize that our Nation would have been greatly blessed had Nelson Rockefeller been able to live for another 30 years and we had had the benefit of his knowledge and experience.

Through the years he used his God-given talents, and used them well, on behalf of the people of his home State of New York and his fellow Americans. He never attempted to evade his responsibilities or to run from a job that had to be done. I believe that history will record that the tough decisions he was forced to make during his public service career were the correct decisions based on the facts he had available to him at the time.

Although we were of different political parties, I shall always have a great deal of respect for Nelson Rockefeller and his honesty and sincerity. He was always a man of his word and a man who would stick by his friends through thick and thin and at the same time respect the right of others to hold differing opinions.

It is true that he was a man of wealth, but he used that wealth for philanthropic causes to enrich the lives of his fellow Americans. And it was true he was a "street-wise politician," but more importantly he was a statesman. We are a better nation, because Nelson Rockefeller chose to serve his fellow man.●

● Mr. COUGHLIN. Mr. Speaker, it has been widely reported that Nelson Rockefeller fully intended to live to at least 100. It was a promise made to his family—a promise to which his country would gladly have held him. It is, then,

in every sense of the word, tragic that this should be a promise he was unable to keep.

No one can say that Nelson Rockefeller was an average man. His talents, his great wealth, and his tireless enthusiasm deny that title. Yet, despite his enormous wealth and unique talents—or perhaps because of them—he was just as comfortable meeting with union officials in a labor hall as entertaining the art world in Manhattan.

His career in public life, as Governor of New York, as Presidential candidate, and as Vice President of the United States, has been well documented. His contributions will be long remembered. But it is Nelson Rockefeller, the man, who most will be missed.

He provided his political colleagues with sound career advice and close personal friendship. He provided his party direction and its members an appreciation of our duties as public servants. His contagious enthusiasm, unflagging patriotism and intense joy in service were a model to many of us. Even his political adversaries came to respect his abilities—to respect this man of foresight and courage.

His sense of duty and responsibility to his country and to his people was unwavering. He was truly the personification of noblesse oblige. He accomplished more in 70 years than most of us could hope for in 100. It is no less unfortunate for that fact, no less a great loss, that he could not have lived those promised 100 years.●

● Mrs. SPELLMAN. Mr. Speaker, in the last few days, hundreds of thousands of words have been written and spoken about former Vice President Nelson A. Rockefeller, who died last weekend in New York City. Writers and commentators have chronicled how he "rose above" his wealthy position to devote much of his life to public service. They have detailed how he strove mightily for the White House, ultimately never achieving that lifelong goal. They have described how, in the end, in the aftermath of Watergate, Nelson Rockefeller dutifully accepted a position he never really wanted—the Vice Presidency—because he thought it best for the country that he accept it.

Mr. Speaker, I can sum up my deep, personal feeling for this most remarkable man with considerably less verbiage—18 words to be exact. Simply put, Mr. Speaker, it is hard for me to imagine the American system of government and politics without Nelson A. Rockefeller's being part of it.

Nelson Rockefeller cast such an imposing shadow across the American political landscape for so long a period that he forever changed its horizon. His passing last Friday night leaves the national skyline somehow incomplete, like our own Capitol building minus its dome or one of its other key elements. And since he was my friend, his death created a void for me, personally.

Mr. Speaker, I first came to know Nelson Rockefeller in 1967, when then President Lyndon Johnson appointed me to the Advisory Commission on Intergovernmental Relations. Governor

Rockefeller, of course, had already been a national figure for several decades, having served in key appointive posts under three Presidents and having been elected Governor of one of the Nation's largest States, not once but several times.

In the years we served together on the Intergovernmental Relations Commission, we became fast friends. Although of different political parties, we found we had much in common and I often sought his wise counsel.

Together with other Commission members, Nelson Rockefeller and I helped design the revenue sharing program and we stood together in Philadelphia the day former President Nixon signed the first revenue sharing bill.

In the years after we both left the Intergovernmental Relations Commission, I am honored to say I continued to benefit from Nelson Rockefeller's friendship and I would like to think he benefited from mine. My service in this Chamber began while Nelson was Vice President and our friendship continued until his last days. If there is one thing I will always cherish, it is a handwritten note I received from him just a little more than a month ago, updating me on his activities and inquiring as to mine.

Perhaps, Mr. Speaker, that note typifies Nelson Rockefeller and explains why he dominated our political skyline the way he did. No matter what heights he reached—be it wealth, influence or public office—Nelson Rockefeller always had time to remember a friend, to hug an old acquaintance, to stop to plant a kiss on my cheek, and to sit down with me to discuss how he had overcome the handicap of dyslexia and to give me advice on how to assist my grandson in coping with it.

I am reminded, Mr. Speaker, of a statement made by one of the Chief Executives Nelson Rockefeller served so well, the late President Harry S. Truman. "Do your duty," President Truman advised, "and history will do you justice."

Nelson Rockefeller did his duty in service to the American people for more decades than some of us standing here today can recall. In return, history by and large has already done well by him.

And while historians have been known to change their opinions of this President or that great American, I have no such worries for Nelson Rockefeller. I am confident his honored place in the history books is secured forever. The shadow he cast and the mark he made are too well established to be reversed or altered now. I am sure my colleagues will agree that, as long as there is a United States, the works and achievements of Nelson A. Rockefeller will forever be remembered and revered by the American people.●

● Mr. ADDABO. Mr. Speaker, the Nation has lost one of the most dedicated of public servants with the death of former Vice President Nelson Rockefeller who died last weekend at the age of 70.

To those of us from New York, Mr. Rockefeller served with distinction for 16 years as Governor of our State. It is a

measure of the esteem felt for him that to those of us who served with him—and to the man on the street—he was simply known as "Rocky."

Born to enormous wealth, fascinated by art and cultural activities, Rocky nevertheless felt right at home on the streets of Brooklyn and Queens, shaking hands, eating blintzes, making famous his usual greeting, "Hi ya, fella," and demonstrating that basic involvement with his fellow citizens that carried him so overwhelmingly to four gubernatorial successes.

The Governor was no mild-mannered fellow; he stated his likes and dislikes plainly and simply. And often. And he had fun doing his job as well as campaigning for reelection. And let me add that he did his job as well or better than most of the Governors who have served our State.

The part of Nelson Rockefeller that most of America knows and remembers, however, is the series of unsuccessful attempts to gain the Republican Presidential nomination. Nevertheless, despite those frustrations, when called upon by President Ford to serve as Vice President during a bleak period in this Nation, he did so with honor and distinction. The New York Times noted this morning that his last recorded statement on politics was—as usual for Rocky—full of optimism on what a Vice President can do for an administration if he is willing to subdue his own ambitions for the benefit of the Nation.

That one observation probably sums up Rocky as well as anything else that could be said about him. He was devoted to this Nation and to its people, and having been given almost everything possible to possess at birth, spent his adult life devoting his time and his talent to improving life for everyone else.

He was a good friend of mine, and I will miss him, as will the people of America.●

● Mr. ANDERSON of California. Mr. Speaker, how does one adequately pay tribute to the passing of a man who was almost a national institution? How are we to reconcile the absence of a figure whose name is a household word?

Such a man was Nelson Rockefeller. To those acquainted with Mr. Rockefeller, it is not at all surprising that he was stricken while doing exactly what he had been doing for the vast majority of his life: working. Despite great family wealth, which would have enabled him to lead a far more indolent lifestyle, he chose to work, thus fulfilling the ethic which has so strongly influenced American society since its inception.

As is the case with all great leaders, Mr. Rockefeller was a very controversial man. There can be no denying that at various periods in his life, his decisions were strongly opposed by numerous groups and individuals. Yet despite vociferous opposition he was able—and unafraid—to make difficult decisions in times of crisis and to stand firmly by those decisions. Truly this is the vital essence of leadership.

There were many disappointments for Nelson Rockefeller, but he did not succumb to any sort of defeatist outlook.

Instead, he overcame nearly every obstacle, devoting his life to active, concerned public service. In this respect he is an excellent example for all of us to follow.

My wife, Lee, and I extend our deepest sympathies to his wife, Happy and their children. All of us mourn the passing of this great American; but I hope that at the same time we will rejoice in the tremendous dynamism of his life.●

● Mr. UDALL. Mr. Speaker, Nelson Rockefeller cut a giant swath through the political life of his country through three turbulent decades. His legacy is a good one. Independence, optimism, integrity—these were his outstanding traits.

This was a man born to privilege, yet he knew disappointment and adversity. A measure of the man was how he met both with dignity and grace.

He was a man who never became President, but he may have had as much impact on his times as the men who did sit in the White House.

I was glad to be among his friends.●

● Mr. LEE. Mr. Speaker, I join today with my colleagues in this House who serve the State of New York in expressing our shock and sorrow at the passing of former Governor and Vice President Nelson A. Rockefeller. The weekend's news of his death saddened all of us who knew him, who admired him, and who respected him as a truly great American.

I campaigned for Nelson Rockefeller in 1966 and 1970, and I developed a great respect for him as a person, as well as a leader. As Governor and Vice President, he served the people of New York and the United States with grace, with honor, and with distinction. Throughout a career spanning many varied moods of America and during which many of the most difficult questions of public service were challenged, Nelson Rockefeller's prestige never dimmed.

Mr. Rockefeller was a beacon for progress in America. He will be missed by each of us in memories unique to each of us, but as a community of Americans there is unanimous agreement that we have lost a valued son.●

● Mr. ZEFERETTI. Mr. Speaker, I join my colleagues in eulogizing the loss of our former Vice President and fellow New Yorker, Nelson A. Rockefeller.

The people of America have lost a dedicated public servant who willingly undertook the many tasks asked of him with boundless energy and enthusiasm. As a four-time Governor of our great State of New York, his administration set a standard of achievement for others to follow. As a public official in a number of Government posts, he brought a "common sense" approach to attacking the problems facing the Nation. And as Vice President, Rocky's back-slapping, hand-grabbing style helped restore confidence in our Government at a time when our citizens viewed public officials with a sense of apathy and distrust.

Although born into wealth, "the Governor" did not permit his finances to blind him to the wants and needs of less fortunate Americans, and he maintained this special concern for the needy throughout his career. He was a man of compassion for all citizens, rich or poor,

with an understanding of the problems of the common working man.

The work of Nelson Rockefeller, statesman, humanitarian, man of the arts, will be as sorely missed as his personal friendship. His long and constructive leadership—particularly in the State of New York—will long remain etched in our memories.●

● Mr. WHITTEN. Mr. Speaker, it was my privilege to have a long and friendly association with the late Nelson Rockefeller. On many occasions, Mr. Rockefeller appeared before the Appropriations Committee on which I have long served. Each time, he made a fine impression as a man with an understanding of practical affairs, with more than his share of patience. He was always ready and willing to share his fine personality with everyone.

Nelson Rockefeller was a good public servant, as his longtime service as Governor of the State of New York and more recently, as Vice President of the United States so well indicate. While our personal views differed on some issues, his integrity was unquestioned and his devotion to the preservation of the American way of life was always present.

I know that Americans everywhere share my personal grief at the sudden passing of this distinguished citizen. Nelson Rockefeller will be sorely missed. I extend my sincerest sympathy to Mrs. Rockefeller, the immediate family and the American community in this great loss.●

● Mr. BRINKLEY. Mr. Speaker, a giant among men, Nelson Rockefeller was born to wealth and could easily have chosen a life of secluded luxury. Instead, he rolled up his sleeves, and with his shoulder to the grindstone of public service, became a driving force for good. His limitless energy was legendary, and the variety of his pursuits—from throwing his hat into the political ring to insuring preservation of some of the world's greatest art treasures—demonstrates his unrelenting commitment to a life of action and accomplishment.

Nelson Rockefeller's vitality, unquenchable enthusiasm, and boundless curiosity evoke comparison with another great American statesman, Theodore Roosevelt. Rockefeller lived life with verve and refused to let even major political defeats crush his spirit. His life calls to mind these words of Theodore Roosevelt:

Far better it is to dare mighty things, to win glorious triumphs—even though checked by defeat—than to take rank with those poor individuals who neither enjoy much nor suffer much, for they live in a gray twilight that knows neither victory nor defeat.

The country is poorer for his death, but richer for the lasting contributions he made to our Nation and to all nations as Governor of New York, Vice President of the United States, and humanitarian to the world.

Nelson Rockefeller is gone, and we shall miss him. But his zest for life and devoted service to his country remain as examples for us all.●

● Mr. VAN DEERLIN. Mr. Speaker, I join millions throughout the world in mourning the passing of Nelson Rockefeller, one of the giants of our time.

Mr. Rockefeller and another great American with whom he had much in common, the late Senator Hubert Humphrey, may have been the members of their generation best qualified for the Presidency who failed to attain that office. But the achievements of each man were awesome nevertheless.

Born to great wealth and bearing one of our Nation's most illustrious names, Mr. Rockefeller and his brothers might well have frittered away their good fortune in meaningless pursuits.

The opposite was true, of course, as each brother went on to a life of solid accomplishment. It was Nelson Rockefeller's ambition to pursue a life of public service. With his wealth, optimism, self-confidence and boundless energy, he succeeded in contributing greatly to the country and the world.

Politically, he was a smash; only the top prize eluded him. We in California must marvel at a Governor who can win election four times in a State as populated and variegated as New York—it's never happened in our State.

Nelson Rockefeller also held a series of high appointive posts, dating from 1940, when he helped President Franklin Delano Roosevelt establish the good neighbor policy, and culminating in the 1970's in his service as Vice President under Gerald Ford.

He was the product of a family background that combined great wealth with a strong sense of social responsibility. He approached all tasks with a spirit of cheerful exuberance. With all his assets and attributes, he seemed larger than life; we are all diminished by his death.●

● Mr. PATTEN. Mr. Speaker, the recent passing of Nelson A. Rockefeller has left all of us stunned and saddened. Few men have devoted themselves to public service in the manner in which he did.

I long ago felt that he had that special ability to move the people he came in contact with. His list of accomplishments as Governor of New York is a long one, and the work he did as Governor has benefited millions of people. His expansion of the New York education system increased, many times over, the opportunities for people seeking an education.

As Vice President, he worked closely with the Congress on many important issues, including the efforts to pass the Water Quality Act.

He was a credit to all of us in public life, and I think that he was one of the greatest living Americans of my time.●

● Mr. CLINGER. Mr. Speaker, I would like to take this opportunity to commemorate a distinguished statesman, an exemplary Governor and Vice President, and a great American, the late Nelson Aldrich Rockefeller.

For over four decades, Nelson Rockefeller served this Nation with courage and distinction. In World War II, at a time when Latin America seemed ripe for Nazi exploitation and expansion, he magnanimously agreed to serve as America's special liaison to that part of the world. As long time Governor of the State of New York he was a capable and compassionate administrator. Mr. Rockefeller capped off his public career by assuming the Vice Presidency at a time when this country was wracked with ill-

will and dissension. Vice President Rockefeller did an extraordinary job of helping America heal its wounds after the divisive Watergate scandals.

I had the honor of meeting Mr. Rockefeller on several occasions. In 1968 I served as the northwest Pennsylvania coordinator of the Rockefeller for President Committee. Mr. Rockefeller's statewide Pennsylvania chairman in that Presidential campaign was Richard Thornburgh, now Governor of the Commonwealth of Pennsylvania. The force of Mr. Rockefeller's personality and his unswerving commitment to public service made a profound impression on Dick Thornburgh and me.

I shall always cherish the memory of Nelson A. Rockefeller.●

● Mr. HANLEY. Mr. Speaker, we pay tribute today to a man of great vision, of great accomplishment, of great enthusiasm, of great integrity, of great generosity. Nelson Rockefeller was heir to one of America's great fortunes, and yet, was one of the great street campaigners of American politics.

Nelson Rockefeller was born to privilege, and he accepted that privilege as an obligation to serve his State and his Nation. His indomitable spirit, great sense of humor, deep concern for his fellow man and refreshing candor made him a giant in the history of New York State and, indeed, of this country.

His personal warmth and friendship to me transcended any political differences we might have had, and although we sometimes differed philosophically, there never was any question in my mind that Nelson Rockefeller's number one priority was a better quality of life for all New Yorkers and for all Americans.

When we remember Nelson Rockefeller, we will remember his boundless energy and determination. I think all of us will recall the scene at the 1964 Republican National Convention, when on national television, Rocky faced the shouting and booing delegates, and told them that however long it took and however much they hated his guts for saying it, he was going to speak for the civil rights plank that represented to him and his family the heart of their personal and political commitment.

Although he never realized his ultimate goal of the Presidency, Nelson Rockefeller never stopped devoting himself to the task of solving our social and economic problems. After 15 years as Governor of New York and 2 years as Vice President, he focused his attention on another great love, the world of art. It was his stated goal to bring great art within reach of all the people, not just the rich. That typified his attitude throughout his life of public service.

Nelson Rockefeller was a truly great American. We will miss him.●

● Mr. RODINO. Mr. Speaker, to those whose lives he touched, Nelson Rockefeller was a very special man.

His death last week represents to the Nation and to the world a tremendous loss of energy, of ability and of almost unlimited vitality. His contributions to government, to New York and to the American spirit will remain as lasting reminders of a good life and a good man.

Mr. Speaker, Nelson Rockefeller was

three times denied the one political office he sought the most fervently—the American Presidency. But through 40 years of service—in government at local, State, Federal and indeed at international levels; in business and in finance; in cultural activities and in philanthropy—he left a record equal to or greater than that of many Presidents.

For 15 years he had the privilege of serving 18 million people as Governor of New York. He served with distinction in the administrations of five Presidents—one as Assistant Secretary of State, another as Under Secretary of HEW, still another as Vice President.

And more important, he had not only a spoken commitment to human rights, he had a long record of demonstrated caring for people.

In 1974, I had the privilege of chairing the committee that was called upon to consider President Ford's nomination of Governor Rockefeller to be Vice President. Only once before had such a nomination been sent to the Congress under the 25th amendment. And never before had such a nomination been made by a President himself appointed rather than elected.

So the circumstances under which Nelson Rockefeller presented himself for confirmation to the Congress were singularly difficult and extraordinary. And his nomination came at a time barely less than 1 month after the Nation had endured as severe a constitutional trauma as any that has confronted it. But the Governor conducted himself with grace and forthrightness. In the face of valid, critical, probing inquiries regarding the consequences of joining an enormous private fortune to immense political power in a free society Nelson Rockefeller was honest, direct, sincere and never wavering in his cooperation with the committee or in his devotion to the country. It was an experience I shall never forget.

Mr. Speaker, to the Governor's fine family and to his gallant and beloved wife Happy I know go the best wishes of this House and of the Nation. But on a personal level, I hope the Governor's family can know that from me personally, and from my wife and family to whom the Rockefellers showed so many kindnesses, go our sincerest feelings of sympathy and loss. ●

● Mr. BROOKS. Mr. Speaker, it was with great sadness that I learned of the death of our former Vice President, Nelson A. Rockefeller.

Vice President Rockefeller, born of considerable wealth and with the opportunity to choose whatever career he desired, elected to give most of his life to service to the people of our Nation. In the Roosevelt administration he served as coordinator of inter-American affairs. He then held positions in the Truman and Eisenhower administrations and eventually was elected to four terms as Governor of New York. In 1976, he completed his public service as Vice President of the United States in the Ford administration.

Nelson Rockefeller was my friend, an association I was fortunate to enjoy for many years. He left behind a legacy to

which we may all aspire and I truly believe that America is a better Nation because of his dedication and hard work.

My wife Charlotte and I extend our sincerest condolences to his wife, Happy, and his children and I know they can take comfort in knowing that he lived a full, active, and rewarding life. ●

● Mr. CORRADA. Mr. Speaker, I want to join my colleagues in expressing my deepest sympathy and heartfelt condolences to Mrs. Rockefeller and the family on the death of former Vice President and long-time former Governor of New York, Nelson A. Rockefeller. His death deprived the Nation and the world of a great statesman.

As he often stated, his greatest interest was the power of ideas; the realization that through discourse and debate, humankind would be able to determine the best ways through which we can address the different and conflicting problems which plague our Nation and the world.

The Nation owes a great debt of gratitude to Vice President Rockefeller's parents which instilled in young Nelson and other members of the family, a profound sense of obligation and duty to the country which had given them so much. Born to wealth and privilege, Vice President Rockefeller dedicated his life to our Nation's public service. As Governor of New York, he represented thousands of my fellow Puerto Ricans living there and, as such, was sensitive to the problems faced by minorities living in big cities.

As a frequent visitor to his estate in Puerto Rico, Vice President Rockefeller came to know the Puerto Rican people and he was a supporter of the island's pro-statehood movement.

His zest for life and tireless energy sometimes gave the impression of a restless man; but he was also able to appreciate the tranquil beauty of art. His knowledge and collection of modern paintings and sculptures serve as testimony to this love of the arts. In an interview with Walter Cronkite, Vice President Rockefeller once explained his preference for modern art by saying that its beauty rests in the viewer's ability to see the same work innumerable times and yet continue to discover new facets of it. The eye serves as a prism through which the viewer projects his mood and receives a new impression of a familiar sight.

In many ways, Vice President Rockefeller also captured many of the best qualities of our people and reflected them in his work; dedication, energy, pride, and the courage of his beliefs. For all this, and for his unquestioned "joie de vivre," Nelson Rockefeller will be sorely missed by the entire Nation. ●

● Mr. EVANS of Indiana. Mr. Speaker, I wish to join my colleagues in expressing our deep sense of loss at the death of Nelson Rockefeller. Few Americans have contributed so much to the public good as this great man.

Born into a life that offered comfort and security, he chose to direct his life both in private and public pursuits to making our lives fuller and richer. We are indeed fortunate to have had the benefit of his mind, his heart, his spirit,

and the selflessness of his commitment. I think it is especially poignant that his life ended while working on a book about his art collection. This is reflective of his devotion in his private life to enriching our lives with beauty and knowledge.

His long career of public service to our Nation in some of the most demanding roles in American politics was indeed illustrious. But his contribution went far beyond serving in these great public posts. His career was marked by a remarkable sense of vision, compassion, objectivity, and total dedication to America that we have seldom seen before and may scarcely see again. I am hopeful that as we focus on his contributions we can renew our commitment to the ideals of America that were reflected in his exemplary life. ●

● Mr. NATCHER. Mr. Speaker, I join with the many friends of Nelson A. Rockefeller in expressing my sorrow at his untimely passing.

With the highest level of ability and integrity, our former Vice President Nelson A. Rockefeller zealously defended the ideas and principles he believed in and upon which this Nation was built. He gave of himself fully and unselfishly. No one could question his loyal and dedicated service to the people of the State of New York and to the people of the United States.

The loss of our former Vice President will be felt down through the years and will be mourned by all of those who had the honor to have worked with him in seeking to build a better country.

He was a long-time public servant, having served with every President since Franklin Delano Roosevelt in various appointive posts. He was one of five sons of John D. Rockefeller, Jr. and the grandson of John D. Rockefeller, Sr. He and Gerald Ford became the first two men to be installed under the Constitution's 25th amendment ratified in 1967. This amendment provides for filling Vice Presidential vacancies with nomination by the President and confirmation by the Congress.

Mr. Speaker, it was a distinct privilege and an honor for me to preside over the House of Representatives when the nomination of Nelson A. Rockefeller was confirmed by the House.

Nelson A. Rockefeller believed in a strong national defense and because of his name, this made him a historic figure in the pageant of American democracy.

Mr. Speaker, I would like to extend my deepest sympathies to Mrs. Rockefeller and to the family of our former Vice President Nelson A. Rockefeller. ●

● Mr. BINGHAM. Mr. Speaker, I welcome the opportunity to join in paying tribute to the late Nelson A. Rockefeller, former Vice President of the United States and for many years Governor of the State of New York.

A measure of Governor Rockefeller's stature was suggested by the extraordinary outpouring of tributes from all over the country—and indeed from all over the world—when news of his sudden death was received.

One of the extraordinary qualities of this extraordinary man was the wide

range of his interests. One such interest, which was not especially apparent in recent years, was international technical cooperation to aid in the progress of developing countries. Even before President Truman announced his famous "bold new program" for sharing American technology and expertise with the less developed world, Nelson Rockefeller was engaged in just such work through the Institute for Inter-American Affairs. Later, he became chairman of the Board for International Development which produced one of the pioneer books in the field: "Partners in Progress." I first had the privilege of working with this enthusiastic and energetic man when he occupied that position, and I had just been appointed Deputy Administrator of the Technical Cooperation Administration.

A few years later, I had the opportunity of again working with Mr. Rockefeller when he was appointed chairman of the 1956 Constitutional Commission in the State of New York, an appointment which had been made by Governor Harriman and the then legislative leaders in the New York State Legislature.

Still, later, after Mr. Rockefeller had been elected Governor, I had the privilege of many contacts with him. I was always impressed by his friendliness and his cheerful and up-beat approach to whatever task or responsibility confronted him.

As a Democrat, it is not for me to comment on the history of Nelson Rockefeller's efforts to obtain the support of his party for national office. But it does seem appropriate to say that President Ford made a splendid choice when he appointed this most distinguished leader to the office of Vice President of the United States.

My wife and I join in extending our deep sympathy to his family. ●

□ 1135

Mr. PEYSER. Mr. Speaker, that on my part it concludes the special order for Nelson Rockefeller.

I would like to mention that my colleague and friend, the gentleman from New York (Mr. WYDLER) has also requested time on February 6 for any other Members that would like to comment on Nelson and that he will have a special order at that time.

Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Andy Biemiller, a former Member of the House, on his retirement as legislative director of the AFL-CIO Union.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HON. ANDREW J. BIEMILLER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman

from Missouri (Mr. BOLLING) is recognized for 60 minutes.

Mr. BOLLING. Mr. Speaker, I rise to draw attention to the retirement of Andrew J. Biemiller, a distinguished former member of this body and, since 1956, the legislative director of the AFL-CIO and, therefore, the chief lobbyist of America's organized workers.

As one who had the honor to serve with Andy Biemiller in the 81st Congress, I can bear personal witness to the energy and wisdom with which he represented the citizens of Wisconsin and to the respect in which he was held by his colleagues on both sides of the aisle.

Those of us who shared his views looked up to him as the author of the minority civil rights report on which our dear friend, Hubert H. Humphrey spoke so eloquently at the 1948 convention of the Democratic party. Because of their foresight my party became and has remained committed to the struggle for civil rights, voting rights, equal education and equal opportunity which culminated in the landmark legislation of the 1960's and to the struggle for human rights, at home and abroad.

Few Members of this 96th Congress were present to see Congressman Biemiller in action on this floor. But I doubt that there has been any Member of the last 15 Congresses who has not been very much aware of Lobbyist Biemiller as a central figure in countless legislative battles of the last 30 years.

The word "lobbyist" means many things. To readers of a certain type of fiction, the word may conjure up an image of a shadowy figure dispensing favors and applying pressure to hapless legislators on behalf of questionable goals.

To those thousands of elected Senators and Representatives who have benefited from Andy Biemiller's deep knowledge of history, his wise and constructive counsel and his accurate, informative, expert testimony on matters of deep concern to his constituents and all the American people, the word "lobbyist" means something much better, something truly indispensable to the shaping of responsible legislation.

In success and failure, through all his years as labor's ambassador to Capitol Hill, Andy Biemiller never lost his deep respect for the American legislative system and his confidence that justice can be achieved through that system for all Americans.

On my own behalf, and on behalf of all those who value his contribution to our deliberations and who will sorely miss him, I want to extend to Andy Biemiller our best wishes for good health, good luck, and a long and happy retirement.

□ 1140

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I will be glad to yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I want to join with the gentleman from Missouri (Mr. BOLLING) in paying tribute to Andy Biemiller for his long service as a very outstanding, effective and certainly constructive lobbyist, as the gentleman

has indicated, for the AFL-CIO. He was most effective in a quiet way, and he did his job by explaining the intricacies of legislation rather than by using any of the pressure methods to which the gentleman from Missouri has referred, and which occur more often in fictional writings than in actual fact.

I also would like to underscore something that the gentleman from Missouri (Mr. BOLLING) mentioned a moment ago, and that is that not many people realize that although Hubert Humphrey has been frequently honored as the man who put a strong civil rights plank in the Democratic platform at the Democratic Convention in 1948 in Philadelphia, it was actually Andy Biemiller, a Congressman from Wisconsin at the time, who drafted that plank originally and who shared the podium with then Mayor Humphrey, defending the point of view that Andy Biemiller and Hubert Humphrey together were involved in promoting. Certainly Andy deserves every bit as much credit for those dramatic results.

I say this with assurance because I was sitting in the gallery at Philadelphia at that convention and watched not only as the ringing voice of Hubert Humphrey called the attention of the convention to our higher responsibilities, but also as the Georgia delegation, I believe it was, walked out of that convention. But Hubert Humphrey and Andy Biemiller eventually won that tremendous fight, and Andy Biemiller will always be remembered for his part in that historic effort.

Mr. BOLLING. Mr. Speaker, I thank the gentleman from New York (Mr. STRATTON) for his contribution.

Mr. CARR. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Michigan.

Mr. CARR. Mr. Speaker, Andy Biemiller is to be commended on his long years of dedicated service to the American worker and the American people.

As a Member of Congress and as the legislative director of the AFL-CIO, Andy Biemiller represented the great American tradition of industrial democracy. He served notice that the working man and woman deserve a fair shake.

On this occasion of his retirement, I commend Andy Biemiller for his past work and I hope he enjoys the years ahead.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Speaker, I congratulate the gentleman from Missouri (Mr. BOLLING) for calling this event, the retirement of Andy Biemiller, to the attention of the House.

I have served in this body now for nearly 18 years, and I guess, with the turnover we have had, I have perhaps served with a thousand different Members of the House of Representatives. I would say, without derogation to any of them, that Andy Biemiller, who was only a Member here for a short time, probably had more impact on the direction this

country took and on the flow of successful legislation than most of the Members with whom I have served. Although he was not a Member of the House or the Senate over this entire period of time we are talking about, he was one of the most influential people in the legislative process during that period.

The trade union movement has always been an honorable part of the American political scene. From the first its primary and rightful goal was improving the wages and working conditions and general welfare of its members. But the trade union movement envisioned by Andy Biemiller and people of his stature went beyond that. Because it was the AFL-CIO, with Andy Biemiller in charge of its legislative office, that was involved in the betterment of life for all Americans. I think of the great struggle for civil rights. And as has been mentioned, it was trade union people like Andy Biemiller who cared about the environment and public education and who were concerned about the health of all the American people. So we owe a great debt to Andy Biemiller in these broader respects as well.

Andy was a shrewd student of the Congress. I doubt if there are many people alive today who, with the exception perhaps of the gentleman in the well, the gentleman from Missouri (Mr. BOLLING), know more about how this institution functions, what makes it tick, and how results can be achieved.

Andy Biemiller did not operate, as the gentleman from Missouri (Mr. BOLLING) said, on the basis of threats and promises. He operated on the basis of trust and friendship and by furnishing factual information to the Members of Congress. He was not one who would come to your office and demand something; he would tell you his position and give you his arguments, and then leave it to the Member to make the final decision. So Andy Biemiller, in retiring from this vitally important position, leaves a legacy of honor and a legacy of effectiveness.

Mr. Speaker, I join with the gentleman from Missouri (Mr. BOLLING) and Andy Biemiller's many friends here in wishing him well, and I hope he has many years of happy retirement. I thank the gentleman for yielding.

Mr. BOLLING. Mr. Speaker, I thank the gentleman from Arizona (Mr. UDALL).

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for yielding.

I, too, want to congratulate the gentleman from Missouri (Mr. BOLLING) for arranging this special order. I have not known Andy Biemiller as long as has the gentleman from Missouri, of course, but I have known him for 25 years. I do not know of anybody I ever met who had a greater capacity, with the possible exception of the gentleman from Missouri (Mr. BOLLING), for knowing the status of every bill that is before the House at any given time and knowing all the details of the legislation.

When I have talked to Andy Biemiller, it was evident to me that no one ever catches him short. He can anticipate when a problem is about to occur and prepare to meet it.

So, Mr. Speaker, I also join with the gentleman from Arizona (Mr. UDALL) in saying that Andy Biemiller has had a great deal of impact and a great deal of influence, all for the good of the people he represented in the labor movement, and I think that it will be very hard for them to replace him. I thank the gentleman for yielding.

□ 1145

Mr. BOLLING. I thank the gentleman from Iowa for his contribution.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Speaker, let me say that I appreciate the opportunity to participate in this special order for Andy Biemiller for two reasons: First, because I have such a great deal of personal affection for him; and, second, because he is an example of the finest that Wisconsin can produce.

Andy Biemiller is really part and parcel of the progressive tradition in the State of Wisconsin, even though he was not born there. He spent a great deal of time working in the old Socialist movement in Wisconsin and other places. I do not know if many people realize that Milwaukee is probably the last major city in the United States to have a socialist mayor. His term extended into the 1950's. That party and the old Progressive Party brought the tradition of clean government to Wisconsin. Andy Biemiller helped to keep it that way. He was a key Progressive Party leader in the Wisconsin Legislature between the years 1937 and 1942. As has already been indicated, he served twice in this House and I daresay that in that time he picked up enough knowledge not only of the rules but of the precedents of the House, that today I do not know of three people who know more about either the rules or the precedents of the House than does Andy Biemiller.

Also, as has been indicated, while Hubert Humphrey has always gotten the lion's share of the attention of that civil rights plank of the 1948 convention, Andy Biemiller was right there with him as the author of that proposal and was one of the driving forces behind it. I might also add—I think my understanding is correct—that, along with the gentleman in the well, he was one of the original authors of national health insurance in this House 30 years ago.

I think Andy Biemiller also understood that organized labor had an obligation to be involved in the broader questions facing our society and our economy. Labor is a special interest, and Andy Biemiller represented a special interest; but Andy Biemiller's special interest was working people, his special interest was old people, his special interest was sick people, his special interest was people

who belonged to racial minorities who, for no other reason than color of their skin, were being discriminated against economically, socially, and culturally in this country. He did as much as any man I know to help change for the better the facts of life as they related to those kinds of people in this country. He has been a civilizing influence in this country for which all of us owe him a special debt.

Mr. BOLLING. I thank the gentleman for his remarks.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from New York.

Mr. PEYSER. I thank the gentleman for yielding and also for having this tribute to Andy Biemiller.

I think the only thing I can add, perhaps, to the comments that have been made by my colleagues, which I heartily endorse and agree with, is the fact that, not having known Andy for the length of years that some of my colleagues have, I did serve in three terms of the Congress as a Republican. I mention this because Andy was not Republican or Democrat in his working at all. He was involved in the issues having nothing to do with the parties. He certainly contributed a substantial amount of knowledge to me and worked very closely with me and with his colleagues on the Hill in understanding this Congress and also in learning more about the issues.

Mr. Speaker, I have spoken on many occasions in front of corporate groups and banking groups about the capability of Andy Biemiller and the men and women he worked with and how they worked to inform the Members with factual information and also with the concerns expressed that were other than labor concerns.

□ 1150

They were concerns dealing with education, and as the Members heard, with health and other issues. He was just as knowledgeable on those subjects, and fought just as hard for those issues, whether it was senior citizens or the very young, as he was on the issues that immediately affected labor, whether it was minimum wage or labor-management or whatever the issue may be. So, I think that he is very much entitled to tribute and deserves this tribute. I appreciate the gentleman from Missouri taking this time and yielding to me. I thank the gentleman.

Mr. BOLLING. I thank the gentleman from New York for his contribution.

Mr. Speaker, I yield to the gentleman from Washington (Mr. SWIFT).

Mr. SWIFT. Mr. Speaker, for me perhaps the most impressive aspect of the work that Andy Biemiller did with the AFL-CIO in his many years as legislative director was in the field of civil rights.

I recall when I first came to this city as administrative assistant with a freshman congressman, that my first contact with a labor lobbyist had nothing to do with hardcore labor legislation at all, but with civil rights legislation, particularly voting rights, which is the corner-

stone of civil rights in any democratic society.

Too frequently lobbying organizations are narrow in their focus and concerned only with the specific issues that bear directly on the positions of their special interest and its constituencies. Under the leadership of Andy Biemiller, the AFL-CIO legislative effort has had a broad scope and concern for all of the people of this Nation.

Because of that leadership, the Congress would find Andy testifying and working on behalf of so-called minor bills such as the Library Services and Construction Act, which comes to mind; a wide variety of education legislation, health legislation, measures that dealt with the problems of the poor and questions of fundamental rights for all of our citizens.

This aspect of Andy's work is not well known outside of this capital city. The public image of the labor movement has suffered, along with other major institutions in this society, in recent years. If we could spread the word of Mr. Biemiller's dedication and the dedication of the organization whose legislative program he directed for 23 years, I am sure that public image would improve.

All of labor should take great credit for what it accomplished in the civil rights movement, and take great pride in being able to contribute the talent and wisdom and ability of a man like Andy Biemiller to that cause.

Mr. BOLLING. Mr. Speaker, I thank the gentleman from Washington for his contribution.

Mr. Speaker, I now yield to the distinguished Speaker, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am delighted to join my colleague, DICK BOLLING of Missouri, in taking this opportunity to say a few words about an old colleague and a personal friend, the Honorable Andrew Biemiller, whom I met for the first time the day I arrived in Washington in 1952.

Andy hails from a distinguished progressive tradition of Wisconsin politics. I believe Andy told me, in my many discussions with him, he started off as a Socialist in his early career, moved quickly into the progressive movement and was then elected as a member of the Wisconsin Legislature. He then came to the House and served in 1945 and 1946, and again in 1949 and 1950. The first great civil rights movement of this country in 1948 has been mentioned, and we have always looked at Hubert Humphrey as its father. But, the real voice behind Hubert, the one who inspired him along the line, the true father, as history says, was Andy Biemiller.

Andy has been the voice of labor in the Congress and has spoken personally to every Member of the House.

When Andy spoke, we listened, and when Andy gave his word, we could rely on it. He was loved by those who knew him. He truly believed in the adage of the Golden Rule, "I am my brother's keeper."

Andy has worked his whole life for social and economic benefits for the work-

ing men and women of America and has bitterly opposed social, racial and economic injustices. In many of these efforts, he has been successful; others will come to fruition as the years pass. Throughout his public life Andy Biemiller has been far ahead of the thinking of his day.

He is an honorable, independent, tough, knowledgeable, and loveable individual. I hate to see him leave his position in the AFL-CIO, but he feels the time has come for him to move on. Andy may move on, but his mind and his thoughts and his ideas will always be for the betterment of the downtrodden and less fortunate of America.

I am sure I will be getting calls from him from time to time to give me his sage advice, and once in a while to give me a little roughing up because he probably will not agree with the manner in which I acted. We have always parted as friends whenever he left my office, and I want Andy to know that in the future, my door is always open to him.

Andy Biemiller is just a beautiful human being, and America is a real democracy in deed as well as in word because of Andy Biemiller.

I thank the gentleman for yielding.

Mr. BOLLING. I thank the Speaker for his particularly beautiful tribute.

● Mr. PRICE. Mr. Speaker, it is a privilege for me to join my colleagues today in honoring an old friend of mine, Andy Biemiller.

Andy and I came to the Congress together in 1945. He was leaving the War Production Board at that time, and I was just getting out of the Army. I ended up staying in the Congress, and he went on to become the legislative director of the AFL-CIO and one of the best-known lobbyists around.

Through the years, Andy and I were on the same side of almost every issue, and I am proud to be able to say that because I think that on nearly every issue, Andy was truly on the side of the workingman.

Andy is a fixture in his city and around the House. We are going to miss him and the job he always did for the workingman for the last 25 years.●

● Mr. GOODLING. Mr. Speaker, the 96th Congress will begin without one of the most influential lobbyists in Washington, D.C. I am referring to the retirement of Andrew J. Biemiller who represented the AFL-CIO as the director of the legislative department since 1956.

I am a relative newcomer to the Federal legislative policymaking arena, but as a member of the House Committee on Education and Labor I have observed Mr. Biemiller's skill as a labor lobbyist and believe he reserves praise for his outstanding ability.

He is of the old school of lobbying which included loyalties between the lawmakers and the lobbyist, face-to-face meetings, as well as telephone techniques. Even though we were many times on opposite sides of issues, I always admired Mr. Biemiller for his knowledge and expertise on labor issues.

I wish him a happy retirement although I am sure someone as disciplined in the work ethic as Andy Biemiller will have a hard time truly being retired.●

● Ms. MIKULSKI. Mr. Speaker, I am pleased to take this opportunity to pay tribute to Andy Biemiller.

I came to Congress to represent the working class men and women of my district. I always found Andy to be a valuable ally and experienced guide.

His retirement is preceded by 25 years of dedication and service to the workers of America. Through his influence, a vast array of social legislation has been considered over the past four decades.

He was a principle force in the AFL-CIO's support of civil rights legislation, fair employment practices, and national health insurance proposals.

Even after his retirement, the goals which Andy Biemiller sought to attain will serve as an inspiration in the years to come.

I am pleased to have had a brief opportunity to work with him in the 96th Congress.●

● Mr. BOLAND. Mr. Speaker, I join with my colleagues under this special order to honor Andrew Biemiller. With his retirement as the legislative director for the AFL-CIO, labor is losing a valuable spokesman.

Andy Biemiller has been labor's advocate here on Capitol Hill for nearly all of my years in Congress. His presentation of labor's arguments for and against various measures over the years has been consistently excellent. It has been easy to feel the personal commitment of Andy Biemiller in all of his work. He has never lost sight of the working people who most need progressive legislation. His two terms in the House gave him a keen sense of congressional procedure. Andy has always been in the right place at the right time with his labor support.

Perhaps above all of his many accomplishments, Andy Biemiller should be honored for his key role in civil rights legislation. As author of the civil rights plank in the 1948 Democratic Party platform, Andy Biemiller can proudly take his place among the leaders of the fight for equality. He was recently awarded the Hubert H. Humphrey Civil Rights Award for his efforts over the years on behalf of minorities. Andy Biemiller considers his civil rights work to be the highlight of his career. Minority workers everywhere can be thankful for his dedication to this cause.

Mr. Speaker, the AFL-CIO is losing one of its finest laborers and we here in Congress are losing a friend. I congratulate Andy Biemiller on his distinguished career and wish him the best of luck in all future endeavors.●

● Mr. CLAY. Mr. Speaker, it has been a distinct honor and a pleasure to have known and worked with the distinguished Andy Biemiller, legislative director of the AFL-CIO.

In the years that Andy served in the U.S. Congress he earned the trust and highest respect of his colleagues in Congress and later, as legislative director of the AFL-CIO, a similar honor was earned.

I have known Andy Biemiller as a fighter and a man of principle. His devotion to his people and his country are a matter of record. I only hope that when he leaves his present position he will turn his great talents, in the years that

follow, to some endeavor which benefits our Nation as much as his service in the U.S. Congress and the AFL-CIO.●

● Mr. REUSS. Mr. Speaker, it is a special privilege and honor for me to have this occasion to pay tribute to Andy Biemiller.

When I was first elected to this body, 4 years after Andy Biemiller left it, and to the seat which Andy held, his record had set a high standard for representation of the people of Milwaukee.

I have been fortunate to have had Andy Biemiller's example before me since then. I have been even more fortunate to have had Andy himself on call as counselor and conscience.

In a time when it is fashionable to decry the influence of interest groups, Andy Biemiller and the AFL-CIO are persuasive evidence that that influence can be exercised responsibly and to the benefit of those with few other effective champions.

Members of this country's black, brown, yellow, and red minorities who owe the passage of civil rights laws to labor's long and often lonely fight, owe much to Andy Biemiller.

The millions of Americans who look to medicare and medicaid to pay for health care owe much to Andy Biemiller for his leadership of the two-decade fight for that legislation.

In fact there is scarcely a brick in the edifice of our country's structure of social legislation which does not bear the imprint of the labor movement and its tribune Andy Biemiller.

Early in this, our first session in many years without Andy Biemiller, it is evident that his spirit lives on. When some would abrogate a compact with our Nation's disadvantaged which was established under the New Deal, Labor's voice is still raised on behalf of its commitment to the less fortunate.

The voice is no longer Andy's, but there is no mistaking the commitment. It bears the unmistakable signature of Andy Biemiller.●

● Mr. RODINO. Mr. Speaker, I am very pleased to have this opportunity to recognize an old friend and former colleague, Andy Biemiller. Not only have I had the honor of serving in this House with such a fine public servant as Andy, but I have also been fortunate to receive his advice and assistance for the past 23 years during which he has been legislative director of the AFL-CIO.

Andy's role in national affairs has gone far beyond what most people call labor issues. I have known Andy to be an important leader for progressive causes for three decades. In the issues of voting rights, equal employment, education, health care, all areas of civil rights and many other matters of social justice, Andy Biemiller has shown his overwhelming concern for the poor, the disadvantaged and the working people of America. Millions of Americans have benefited from his efforts.

Mr. Speaker, to hundreds of Congressmen and Senators over the years, Andy has been a trusted ally and most respected professional. He and I have fought many battles together and have won quite a few because of Andy's skill and determination.

As he leaves office, he should be very proud of his accomplishments, just as his friends are very proud of him.●

● Mrs. SPELLMAN. Mr. Speaker, the working men and women of America have lost a very good friend. Andrew J. Biemiller has retired. For 25 years, Andy supported, upheld, encouraged, and guided a movement to improve the quality of life for our working citizens. He believed that the core of our country's strength is a productive, healthy and cohesive working force, and that unemployment is a nation's shame.

Andy, a bond salesman's son from Sandusky, Ohio, graduated from Cornell University, later became a history professor, specialized in newspaper work and labor education, and was a member of the executive board of the Milwaukee Federated Trades Council.

In 1945 and again in 1949, Andy was a Member of this House of Representatives. As a Congressman representing his Wisconsin constituency so well, he was an early advocate of social reform.

The American Federation of Labor tapped Andy in 1953 to become a member of the national legislative committee. He became the director of the Department of Legislation of the merged AFL-CIO labor federation in 1956.

His tireless efforts both as a legislator and later as a lobbyist were instrumental in promoting, successfully, many civil rights measures. His commitment to achieving a healthy America through a national health insurance policy continued for over four decades, and although there were many advances in health benefits, his biggest goal—national health insurance—eluded him.

Mr. Speaker, Andy Biemiller has been called the lobbyist's lobbyist, and in the very best sense of that word, it is so. As chief lobbyist for AFL-CIO, he is a superb educator, an advocate of equality, a champion of the working men and women of this country. He is a friend of all of us who believe in improving the fabric of our American standard of life for all of our citizens.

Mr. Speaker, upon the occasion of Andrew Biemiller's decision to spend his hours in more relaxed ways, I know my colleagues will join me in wishing him well and suggesting that this earnest, dedicated man will soon find other causes to shoulder; other problems to solve; other lives to enrich.●

● Mr. ADDABBO. Mr. Speaker, I do not know of many people who have graced the Halls of Congress and its office buildings longer than Andy Biemiller. A two-term Congressman himself, Andy has been best known as the AFL-CIO's legislative director since 1956.

A man who firmly believes in the importance of making contacts and keeping them, of the traditional give and take of politics, there is not a piece of labor or social legislation that Andy has not been involved with since the end of World War II. That is quite a history for one man.

Aside from the many great strides he made for the workingman, this man's vision included a national health insurance way back in 1937 before most of us had even heard of the concept. Following this strong interest, in the

1960's Andy was vital to the success of the medicare campaign.

But as I look back, the contribution I most admire Biemiller for is his strengthening of the alliance between labor and civil rights forces. He played a key role in placing an equal employment provision in the Civil Rights Act of 1964, following the strong stand he took as the prime architect of the landmark 1948 civil rights plank that was introduced by the late Hubert Humphrey at the Democratic National Convention that same year.

Andy did not win every fight he joined, but he never gave up on a good battle. Congress has changed many times over since Andy's first days in the Capitol. Faces, lobbying techniques, and so forth, all come and go, but Biemiller's commitment never wavered. Now this long familiar and welcome fixture is retiring. The absence of his clipped moustache and lapel rose will likely signal the end of yet another era in Washington politics.

I know that all my colleagues will join me in wishing Andy the very best in the days ahead, even though we all really know that it just won't be the same without him.●

● Mr. WILLIAMS of Montana. Mr. Speaker, we Montanans like Andy Biemiller and we want the kind of America for which he has worked and fought.

Andy Biemiller has always understood the drive and optimism which has characterized this Nation since its birth. And he has understood that as long as we are dreamers, striving to change our dreams to reality, America will prosper. He never let the doubters get him down, and he stayed in the saddle when the going got roughest. We Montanans like that, and we like Andy Biemiller.●

● Mr. DRINAN. Mr. Speaker, the recent retirement of Andy Biemiller, following two decades of distinguished service as legislative director of the AFL-CIO, calls to mind Mr. Biemiller's central role in some of the crucial legislative battles of the past 22 years.

It is especially useful now, at a time when the labor movement is under severe and unfair attack from many quarters, to reflect upon Andy Biemiller's unusual achievements on behalf of American working men and women.

Nor can we forget Andy Biemiller's dedication to the cause of civil rights, his commitment to a civil rights plank in the 1948 Democratic Party platform, his long and successful work for the landmark 1964 Civil Rights Act.

We can also be grateful for the pivotal role Andy Biemiller played in defeating the Supreme Court nominations of G. Harrold Carswell and Clement F. Haynsworth.

And we can hope that in the years ahead Congress will move forward on a critical issue where the voice of Andy Biemiller has been heard for 40 years—national health insurance.

History professor, labor organizer, State legislator, Congressman, Andy Biemiller has exerted a profound impact upon American life. An unparalleled fighter for social and economic justice, he will be sorely missed on Capitol Hill.●

● Mr. DERWINSKI. Mr. Speaker, it is a pleasure for me to join in honoring one

of our former colleagues, but best known to all of us as the legislative director of the AFL-CIO.

In his capacity as legislative director, Andy has served with great dedication, ability, and inspiring diligence. His efforts have proved instrumental in many legislative proposals which are of interest to the labor organization.

Andy compiled an outstanding record over the past 22 years, always actively and conscientiously representing the principles and interests of the labor force. Although we did not always agree, I found Andy to be a most effective spokesman and a man of unwavering dedication.

Andy always displayed an earnest concern to provide information to all the Members. The success of much of the legislation dealing with the labor interests can be traced to the efforts of Andy Biemiller.

I wish Andy the very best in the years ahead. I suspect that his experiences and expertise will continue to be called upon as a valuable source of counsel. ●

● Mr. HORTON. Mr. Speaker, for more than 20 years, my good friend Andy Biemiller served as Director of the Department of Legislation at the AFL-CIO office in Washington. Before that, he served in the 79th and 81st Congresses, from Wisconsin.

Although I did not have the privilege of serving with him in either of those Congresses, he and I did work together during the 1960's and 1970's. His 22 years as head of the legislative department brought him to the Hill as an advocate of labor legislation important not only to the labor movement in this country, but to all Americans. His advocacy, however, was almost always objective and reasonable and gave his colleagues on the Hill a perspective on legislation often not available elsewhere.

I wish Andy the very best as he begins his retirement. While I think Andy deserves this retirement, I hope he will stay in touch with his friends and former colleagues on the Hill. ●

● Mr. MIKVA. Mr. Speaker, I am most pleased to participate today in honoring a good friend and one who has helped to shape some of the some most progressive legislation for the last three decades, Andy Biemiller.

I suspect that I knew of Andy Biemiller before most of Washington did. I grew up in Milwaukee, and Andy was my first Congressman. It is quite an advantage to have in one's formative years a role model like Andy Biemiller. Sometimes I think that all of the really useful things I learned about Congress and the legislative process I learned by listening and watching Andy Biemiller in those Milwaukee and Wisconsin days.

Many of us who were products of the old progressive tradition of Wisconsin politics retain a special pride in having been part of that experience. The values of public service and work on behalf of the general welfare, and a faith in the wisdom of the democratic process were more than slogans or cliches. They were practiced and believed. That is what made political life in my early days in Wisconsin so special—and that is why I

think Andy Biemiller is so special, too. He genuinely believes in the notion of a community of interests and in promoting the general welfare—and that is what he has practiced with extraordinary skill for more than 30 years.

The post-war years in this country were filled with landmark legislation—in health care, in education, in civil rights. These were all measures to help all of our citizens realize their full human potential. And these were all measures which reflected both the humanism and the political and legislative skills of Andy Biemiller.

At a time when it is fashionable to criticize the failings of Government, it is suitable to remember that this is a better and stronger country because of those programs. Americans are living longer, better, and more together than in the past, because of those measures which so changed the social fabric of America. Andy can be proud of all those Government successes.

For more than 20 years, Andy has been the legislative director of the AFL-CIO. He has served the labor movement with great distinction. But he has also served the whole country with equal distinction. He has shown that often against stiff odds the legislative process can be made to respond in the public interest if one devotes the necessary energy and makes the effort to learn how the process works.

Mr. Speaker, it is a privilege for me to be part of this tribute, and it has been a privilege to have known Andy Biemiller from those early days in Milwaukee all those years ago. ●

● Mr. ROYBAL. Mr. Speaker, it is a distinct pleasure to add my words of tribute for Andy Biemiller, a former Member of this House.

While I did not have the privilege to serve with Andy during his tenure as a Member of the House of Representatives, I enjoyed the opportunity to know and work with him in his capacity as the legislative director of the AFL-CIO. Having served in this capacity for over 20 years, Andy has become a dynamic force within the labor movement.

His retirement now should come with a sense of pride and accomplishment, knowing that he has contributed greatly to the all-important effort to improve the quality of life for the working American.

My best wishes are now extended to Andy Biemiller as he prepares to reap the fruits of his labor in a well-deserved retirement. I would like to congratulate Andy on his distinguished career and wish him a long and enjoyable retirement—filled with good health and happiness. ●

● Mr. HEFTTEL. Mr. Speaker, the imprint left by Andy Biemiller after devoting over 25 years on Capitol Hill advancing the cause of labor is not likely to be washed away.

For over 40 years, Andy has been totally dedicated to the evolution of civil rights and has unflinchingly advocated social legislation. In victory and in defeat, Andy has always responded to the challenge of fighting for legislation that would benefit millions of

people. He has been regarded, and not unjustly, as the single most effective legislative advocate in Washington.

We will miss Andy and his almost lost art of traditional lobbying, but the even greater loss will be to the AFL-CIO. We owe a unique debt of gratitude to this energetic man and hope that he enjoys his well-earned retirement. ●

● Mr. DERRICK. Mr. Speaker, it is my pleasure to participate in this special order for the Honorable Andrew J. Biemiller, a distinguished former Member of this body, on the occasion of his retirement as legislative director of the AFL-CIO.

I know I need not tell those of my colleagues who were privileged to serve with Andy Biemiller of his outstanding abilities or the scope of his accomplishments. I am equally sure that it is not necessary to relate his achievements to the people of the Sixth District of Wisconsin, whom he so ably served. I know that they all join me in wishing Andy Biemiller a well deserved and rewarding retirement. ●

● Mr. SEIBERLING. Mr. Speaker, I am happy to join in paying tribute to a man who has been one of the most effective advocates for the American worker that the past two decades have seen—Andrew Biemiller. On January 5, Andy retired after 22 years as the legislative director of the AFL-CIO, and I am just one of very many who would like to let him know that he will be remembered and appreciated for a very long time to come.

Perhaps to many of the Nation's rank-and-file workers, whose interests Andy worked so hard for, the significance of his role was unheralded. But to those of us here in Congress, Andy Biemiller was a persuasive force whose hard work and contributions to the labor movement never went unnoticed. And I have a feeling that his retirement is not going to keep him away from Capitol Hill for good. I hope we can continue to draw on his wisdom and insights.

Although employed by the AFL-CIO, Andy ably served the entire labor community. He devoted all of his talent, energy and resourcefulness to every issue he ever worked on. He was indefatigable. Even when the labor movement met with a setback in Congress, Andy just became all the more determined to fight for the principles to which he had devoted his life, and in the end he and those principles have usually prevailed.

I am glad I have come to know Andy Biemiller over these past few years. I have a tremendous amount of respect and admiration for him and I wish him success in all his future endeavors. ●

● Mr. LONG of Louisiana. Mr. Speaker, it is hard to imagine a session of Congress without seeing Andy Biemiller in committee rooms and Members' offices.

A man of endless political courage and stamina, Andy Biemiller has been inextricably involved in almost every significant political issue in this half of the 20th century, from the passage of Medicare and equal employment to the fight for health care for all Americans. While a Congressman from Wisconsin, Andy Biemiller was amongst the earliest proponents of civil rights legislation.

I met Andy Biemiller when I first came

to Congress in 1963. I quickly developed a great respect for his political savvy, parliamentary skills and ability to see through to the essential issues at hand. Few individuals have been a more persuasive voice or better ally. Andy seems to thrive on political challenges, and his many legislative victories attest to his effectiveness. I'm not saying he always won, but he never accepted or admitted defeat.

Andy Biemiller once said of Harry Truman, "He had more guts and was more down to earth than any guy I knew." The same could be said of Andy. It is with the greatest pleasure that I join with my colleagues in congratulating Andy on his outstanding career with the AFL-CIO. We will all miss him.●

● Mr. GIAIMO. Mr. Speaker, almost everyone who has been in and around the Congress for a year or more knows things simply are not the same today as they used to be. Sometimes that is good; sometimes not. But, in any event, they are vastly different.

Now, one more fixture is gone. And I, for one, do not like it one bit. I am going to miss Andy Biemiller. Even when I do not agree with him, I like to know what Andy Biemiller has to say about a subject because he is so dedicated and so knowledgeable.

Andy has been a part of the Washington scene for a third of a century, having served two terms as a Member of this body as Representative of the Fifth District of Wisconsin and a labor lobbyist for the rest of those years. Since 1956, he has been director of the legislative department of the AFL-CIO, a role in which most of us have known him.

He is more than a labor lobbyist and former Congressman, however. He has been a college professor, newspaperman, State legislator, and Presidential appointee.

As a member of the Wisconsin Legislature, Andy was fighting for better health care for everyone in the country in the middle 1930's. As a Congressman, he allied himself with the late Hubert Humphrey to press for a civil rights plank in the Democratic platform of 1948. As a lobbyist, he insisted on a fair employment practices section in the Civil Rights Act of 1964.

Thus, he was on the cutting edge of ideas to make the American dream come true for all Americans. He fought for things when they were unpopular.

It may be beyond the comprehension of some of us today that there ever should have been a question about a civil rights plank.

We all can understand the philosophy that Andy passed on in a recent interview. He said it comes from his friend and boss, George Meany, and he supports it fully and has lived by it:

"Don't beg, don't threaten, and don't assume that you're always 100 percent right."

One thing is 100 percent. That is, we all miss Andy Biemiller around here.●

● Mr. JOHNSON of California. Mr. Speaker, it is with great pleasure that I join with my colleagues in honoring a great man, a former colleague, and a personal friend, Andrew Biemiller. It is

most fitting that we take time from our busy schedules to take note of the many accomplishments and achievements of this great American.

Although Andy is most widely known for his outstanding efforts as legislative director of the American Federation of Labor-Congress of Industrial Organizations, he had a very diversified career before taking over this important post. One of his first careers was in education. As a professor of history, Andy learned important skills which were to serve him well in the future. Little did he know at that time that he would help to write many pages of modern history in the years to come.

His political experience came first as a State assemblyman in Wisconsin and subsequently as a Representative from Wisconsin to the House of Representatives in Washington, D.C. Andy served admirably as a Member of the 79th and 81st Congresses. He has been a long and loyal member and supporter of the Democratic Party and we trust that he will continue this association.

In addition to elective office, Andy also served in the executive branch first as the Vice Chairman to labor production under the War Production Board and later as a special assistant to the Secretary of the Interior.

This wealth of experience in addition to his natural intellect and warm personality made him a most appropriate choice as the new legislative director of the AFL-CIO in 1956. Andy in partnership with George Meany and Lane Kirkland has molded that organization into a very effective and important influence on this Nation. The legislative accomplishments of the American Labor Movement are very much a product of the hard work and determination of one man—Andy Biemiller.

We here in the Congress who have worked with Andy over the years are sincerely going to miss him. We take this opportunity to honor him and pay tribute to all that he has done in behalf of the working man and woman. I want to wish him the very best for the future as he takes a very well deserved rest. I hope that he will continue to share his wisdom with those of us in the Congress as he undertakes new activities and responsibilities.●

● Mr. CORMAN. Mr. Speaker, Andy Biemiller has passed the torch and closed the door on a quarter of a century's public service to the labor force. His retirement brings to an end a distinguished career as labor's closest ally in Washington and most dynamic and effective representative of labor's commitment to a broad array of social legislation.

Andy's career covers a wide range of interests. He started as a university history professor who moved to Wisconsin and became a labor organizer. He later served in the Wisconsin State Assembly rising to a leadership position, and finally came to Washington first as an assistant to the vice chairman for labor production of the War Production Board and then as a Member of the 79th and 81st Congresses. In 1956, Andy assumed the responsibility of the chief labor representative for the AFL-CIO. By that time, he

had made a firm commitment to the city of Washington, and I am pleased to know he plans to remain here and enjoy his retirement.

While Andy can be remembered for many major legislative triumphs during his service to labor, I will best recall his total dedication to the civil rights movement. Before I had the pleasure to know Andy, he was already a true friend of the civil rights cause. He was the principal architect, along with the late Senator Hubert Humphrey, in pushing through the civil rights plank at the 1948 Democratic Convention. He took a stand at a time when it was considered a liability to be counted on the side of civil rights leaders.

In 1964, I had the privilege to watch and work with Andy as he fought to have a fair employment provision written into the 1964 Civil Rights Act. His unrelenting determination paid off and his efforts rewarded with a law requiring fair employment for men and women of all races. There is no question that Andy was a prime force in labor's involvement in civil rights issues.

His presence will be missed by all who had the honor and personal privilege to work with him over the years. It is my hope that he will enjoy good health, happiness, and contentment in the years ahead.●

● Mr. PERKINS. Mr. Speaker, the AFL-CIO has announced the retirement of its vice president and legislative director, Andrew J. Biemiller.

Obviously the announcement was premature, for Andy Biemiller is very much alive—and he is the kind of fellow who does not retire.

As long as Andy has a conscious moment, I know he is going to be thinking about what can be done to improve the lot of America's working men and women.

He is going to be fuming about the high cost of health care for the ordinary people of the country. He is going to be looking at 6-percent unemployment and reminding anybody who will listen that the figure is too high.

He is going to keep telling us that we are not doing enough to stimulate the creation of new jobs, or to spur economic growth.

He is going to be telling us that programs for the poor and the elderly and the disadvantaged do not measure up to the standards of decency and compassion he believes reside in the hearts of the American people.

In this, I think we and the country are very fortunate. For we need a voice of his authority, and a man of his stature and credentials to remind us of who we are and of what this country is.

I consider myself privileged to have known Andy Biemiller and to have worked with him for 30 years.

Back in 1950, I thought it was something of a calamity when he was defeated for reelection to the House. But in hindsight, I wonder if it was not an opportunity for him to broaden his sights and his scope of influence.

In the years that followed, he served a constituency that was much larger than his Wisconsin district. He was no longer

hemmed in by district lines and State boundaries, but was free to fight for the things he believed in on a national and international scale.

As chief legislative spokesman for one of the great labor organizations of the world, he was able to bring the influence of the AFL-CIO to bear in any number of areas in which the needs of people could be met.

He has the wisdom to see that "labor" is not a water-tight compartment, isolated from all others in American society. "Labor" is people—people who need fair wages, decent working conditions, good medical care, good educational opportunity, the safeguarding of their basic human rights. And at the same time, he recognized that "labor" is people who pay the taxes and pick up much of the tab.

So, in a real sense, Andy Biemiller has not been so much a "labor" man as a "peoples" man.

We can measure his effectiveness these last three decades by cataloging all the major pieces of legislation that have sought to bring some measure of financial security and economic opportunity to a great majority of our citizens.

Andy Biemiller is an intellectual who has not disdained the rough and tumble of the political process as a means of advancing social progress.

He is shrewd, he is persuasive, and he is tough. At the same time, he is decent, he is fair, and he is ever the gentleman.

Over the years, I have valued his wise counsel on many matters, including those beyond the strict "labor" field. Never once did he ever suggest any course that was anything but the most honorable, and never once did he ever press for any action that would not in some way promote the general welfare and the common good.

If now, at the age of threescore and twelve, he has decided to step aside and be a little less visible, I know that Andy has not abandoned one iota of interest in what happens to the working people of America, or in the poor or the elderly or the jobless, or the children. It is good that we will still have his counsel to call upon.

Mr. Speaker, years ago Thomas Riley Marshall delivered a line that went, "What this country needs is a good 5-cent cigar." Today, I want to update that and say, "What this country needs is a permanent Andy Biemiller." ●

● Mr. DICKS. Mr. Speaker, I want to take this opportunity to add my deep appreciation for the long and dedicated career in public service which Andy Biemiller has given to this Nation and its workers.

First, as a member of this body, and for 23 years as the legislative director of the AFL-CIO, Andy Biemiller has worked for improvement in the conditions faced by the working person. Over the last quarter of a century we have seen great strides in the treatment of our most essential resource, the labor of our people.

The Congress has enacted legislation improving the safety of working conditions which have resulted in thousands of lives saved and disabilities avoided. We have continued to provide a mini-

mum wage that helps insure that those on the lowest end of the income scale will have a better chance to meet life's necessities through productive labor instead of through welfare dependence.

All of our efforts have not been successful. Some have run into the harsh realities of limited resources. But while there have been many able champions of the interests of the average American worker in the Congress, there has been no more effective advocate than Andy Biemiller. While I only served in the Congress during the last 2 years of his tenure as legislative director, the legacy he has built will make his influence felt far beyond the time that I will leave this body.

I know Andy will continue in retirement to fight for the rights of the American worker. I wish him Godspeed. ●

● Mr. DANIELSON. Mr. Speaker, I rise to express my admiration and best wishes to Andy Biemiller on this occasion of his retirement after more than 20 years as legislative director for the AFL-CIO.

Andy, of course, had a distinguished career for many years before going to work for the AFL-CIO—as a teacher, a union organizer, State legislator, Member of Congress, Federal official, and public relations counselor.

From my own vantage point, I know that Andy Biemiller will be sorely missed as a friend, and as an effective and valuable advocate of labor's point of view. He has always been extremely helpful and well informed when issues of importance both to labor unions and to his fellow man are before the Congress.

Andy Biemiller is a compassionate, understanding, and purposeful champion of those who need help the most. I wish him long health and happiness in whatever endeavors he chooses to undertake in the future. ●

● Mr. RANGEL. Mr. Speaker, with the coming of the new Congress, labor has lost its most effective voice to Congress, and Congress has lost a valuable source of information and support. Andy Biemiller has been a help to us all. Always a champion of the poor and the minorities, Andy combined his experience as a legislator, his knowledge of his area, and his special capacity to work with people to make himself one of the most respected and most effective lobbyists on Capitol Hill.

Andy has been fighting for the wage earners in the country for as long as anyone can remember. In the 1930's he was fighting in the South to organize labor. In 1948 he was fighting alongside the late Hubert Humphrey to include a landmark civil rights plank in the Democratic platform. Since then, he has fought countless other battles for the working poor. Those battles will not be forgotten.

The legislative process will be that much harder for the want of Andy's experience and expertise. I join my colleagues in wishing him the best in his retirement, and success in whatever endeavors he chooses to apply himself. ●

● Mr. MAZZOLI. Mr. Speaker, with the retirement of Andrew J. Biemiller, America's working men and women have lost a strong advocate and a dedicated spokes-

man. And, Capitol Hill has lost one of its most tireless and energetic lobbyists.

Andy Biemiller's service spans some 34 years. He first came to the Hill as an elected Member from Wisconsin in 1944. After some ups and downs at the ballot box, Andy left electoral politics but stayed in Washington and became legislative director for the AFL-CIO in 1956.

Not only has he worked hard to protect the rights of America's working men and women, but he has fought long and hard for the rights of all Americans.

His leadership and knowledge of the issues will be missed.

Best wishes to you, Andy, for a healthy, happy, and prosperous retirement. ●

● Mr. ANNUNZIO. Mr. Speaker, I rise in tribute to the Honorable Andrew J. Biemiller, former Member of Congress from the State of Wisconsin, who has retired as the legislative director of the AFL-CIO. I am proud to call him my friend. His respect for and understanding of the needs of working Americans and those disadvantaged by fate are reflected by his splendid record of accomplishment during his long and distinguished career.

Andy Biemiller began his life of exemplary leadership as a delegate to the Philadelphia Central Labor Union in 1929, and beginning in 1932, as a labor-relations counselor, organizer, and executive board member of the Milwaukee Federation of Trade Councils and the Wisconsin State Federal of Labor. He was a member of the Wisconsin State Assembly from 1937 to 1942, and was a floor leader from 1939-1941.

In 1941, Andy was appointed special assistant to the vice-chairman for labor production of the War Production Board, where he remained until 1944. He was then elected to a seat in the House of Representatives, and served in both the 79th and 81st Congresses. From 1951 to 1952, he was a special assistant to the Secretary of the Interior, and then went on to serve as a member of the legislative committee of the American Federation of Labor. It was in 1956 that he was elected the Director of the AFL-CIO legislative department.

Andy has also served as a member of the Citizens Advisory Committee of the Outdoor Recreation Resources Review Committee, a member of the National Petroleum Council, a Labor Adviser to the U.S. delegation to the General Agreements on Tariffs and Trade Conference, and a member of the Labor-Management Advisory Committee for the Atomic Energy Commission.

Andrew J. Biemiller has dedicated his life to the betterment of his fellow citizens and compiled an outstanding record on civil rights and health care legislation for all Americans during his distinguished career. His diligent efforts have been both fruitful and beneficial to the citizens of this Nation, and indeed, these successful efforts have made America a more prosperous and productive country.

I extend to Andy my warmest best wishes for a long, healthy and well-deserved retirement. ●

● Mr. BROOKS. Mr. Speaker, our former colleague Andy Biemiller retired from the Congress in 1951. Although he

moved onto other duties, he never really left the Congress.

In the intervening years he has been virtually a fixture in the Capitol, the buildings and the individual offices of the Congress as he put his formidable knowledge and ability to work for the Workers of America.

Andy's advocacy for the interests of the working men and women of this country and of the unions in the AFL-CIO is exemplary. Even as a strong advocate for a special interest group, Andy Biemiller never forgot the realities that we work with here in Congress. He was able to blend those realities with the goals of his organization to achieve workable solutions and programs. He also has never forgotten the needs we have as Members of Congress for accurate and reliable information. In my many dealings with him he has always been candid and forthcoming.

If an individual were to come to me who has just become a lobbyist and ask me how he can best perform that function I would recommend he emulate Andy Biemiller. If he did he would know that honesty and integrity are equally as important as the merits of the programs or legislation being promoted. He also would learn that to be a successful lobbyist, or advocate, one must know the limitations imposed on an individual legislator by his district and his constituency.

Andrew Biemiller has always been a realist. He has managed to keep an awareness of the intricacies of the Congress and the problems its members face. He also has been blessed with the enviable situation that he represents a constituency he understands, respects and loves—the working people of our Nation.

I wish him well as he embarks on a new career, for I am sure he is not going to just sit back and enjoy the leisure he has so justly earned. Whatever he does we can be sure that all Americans will benefit from those efforts.●

● Mr. LELAND. Mr. Speaker, I am pleased to join in this special order honoring such a fine distinguished gentleman as Andy Biemiller.

Mr. Biemiller has achieved a record of high esteem both as a legislator and a legislative adviser. His persuasive abilities are respected by all Members of the Congress.

He has been actively involved in the enactment of civil rights legislation through the AFL-CIO and in the entire area of Socio-economic reform. Biemiller also fought for the national health insurance plan as early as 1937 and is still actively involved in that struggle.

Mr. Biemiller will be missed on the Hill as one with a reputation for not accepting "No" as an answer. Andy is a great inspiration to me and I am sure the AFL-CIO will suffer a great loss by not having his day-to-day advice.●

● Mr. ZABLOCKI. Mr. Speaker, my friend and our former colleague from Milwaukee, Mr. Andy Biemiller, recently announced his retirement as legislative director of the AFL-CIO.

I had the privilege of serving with Andy Biemiller in the 81st Congress

when he represented the Fifth Congressional District of Wisconsin, which is adjacent to my own Fourth District of Wisconsin. At that time we were the only Democrats in this House from the State of Wisconsin. I remember an interest of Andy's which later paid off in his work in the Congress as well as in future accomplishments with the Democratic conventions and with the AFL-CIO. Andy was an ardent student of parliamentary procedure, and he used his expertise in this field to steer his programs to adoption.

Andy was and still is well informed not only with respect to his own position, but with respect to his opponents. He is persuasive and demanding and rarely gives up. As a matter of fact, I have heard Andy assert, rather proudly, that because of his "tutelage" I have the best labor voting record in the Midwest! I won't quarrel with Andy in this assertion, but I will point out that we have had no major differences on primary legislative issues over the years.

Mr. Speaker, I recently had the privilege of attending a dinner organized by the Leadership Conference on Civil Rights in which the organization's Hubert H. Humphrey Civil Rights Award was bestowed upon Andy Biemiller. Andy fought long and hard for liberty and justice for all. He also dedicated his life toward the betterment of the working man, and few would argue that he is to be commended for a job well done.

I might add that Andy and I long ago discovered that we have a common hobby—gardening. However, Andy's speciality is roses and mine is vegetables. When he would proudly display his roses I would remind him that he had more time to tend to his roses. And naturally I have found occasion to advise him that he cannot eat his roses but I can eat my lettuce!

On a more serious note, I can attest that Andy Biemiller will be missed in the Halls of Congress, and by the millions of members of the AFL-CIO. I extend my personal and sincere best wishes to Andy and his lovely wife Hannah. May they have a happy retirement and enjoy many years with their children and grandchildren.●

FEDERAL REIMBURSEMENT TO CITIES FOR FOREIGN MISSION PROTECTION EXPENSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GREEN) is recognized for 10 minutes.

● Mr. GREEN. Mr. Speaker, today I am introducing a bill to direct the Secretary of the Treasury to reimburse State and local governments for providing police protection with respect to foreign diplomatic missions and certain foreign officials. This bill is similar to H.R. 14261, which I introduced in the 95th Congress.

In December 1975, Congress enacted the Foreign Missions Protection Act, Public Law 94-196. Public Law 94-196 amended section 202 of title 3 of the United States Code to add foreign diplomatic missions outside of the District of Columbia to the protective responsibili-

ties of the Executive Protective Service, which now is called the U.S. Secret Service Uniformed Division.

In the report to accompany S. 2796, which became Public Law 94-196, the Senate Committee on Public Works made the following observation:

A strong national interest exists in assuring the safety of foreign officials visiting the United States, whether those visits are to Washington, D.C., or other areas of the United States. Developments since the passage of P.L. 91-217 demonstrate the need for protective services wherever a substantial number of foreign missions exist. As this need has increased—and it could increase still further—local communities should no longer be forced to bear the full cost of what is essentially a national obligation.

To help local communities with the expenses of this "national obligation," Public Law 94-196 included a provision for Federal reimbursement of State and local services, personnel, equipment, and facilities for "extraordinary" protective functions.

The key to the 1975 law is the word "extraordinary." The law does not reimburse State and local law enforcement agencies for routine protection of diplomatic missions. Reimbursement under Public Law 94-196 is subject to three criteria: First, there is an extraordinary protective need; second, the affected metropolitan area requests reimbursement; and third, the extraordinary protective need arises in association with a visit to or occurs at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such organization.

The Foreign Missions Protection Act of 1975 also established an authorization limit for reimbursement of \$3.5 million for any fiscal year. In addition, only cities with 20 or more foreign missions are eligible. Cities meeting this requirement include: Chicago, Houston, Los Angeles, Miami, New Orleans, New York, and San Francisco.

In an effort to learn how Public Law 94-196 has been implemented, I wrote the following letter in June 1978 to Richard J. Davis, the Assistant Secretary for Enforcement and Operations of the Department of the Treasury:

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 12, 1978.

HON. RICHARD J. DAVIS,
Assistant Secretary, Enforcement and Operations,
Department of the Treasury,
Washington, D.C.

DEAR MR. DAVIS: I am the Representative for the 18th Congressional District in New York. This district in New York City includes the United Nations and a number of foreign diplomatic missions.

In February, 1978, you testified before the House Appropriations Subcommittee on the Treasury, Postal Service, and General Government Appropriations. At page 298 of the Subcommittee's hearings on the FY 1979 budget request for the Department of the Treasury, Chairman Steed asked about the extent of payments to local governments for their help in guarding foreign nationals. He was referring to implementation of Public Law 94-196.

Mr. H. Stuart Knight, Director of the Secret Service, responded that one request under P.L. 94-196 had been received from New York City and that it had been reviewed and favorably recommended. You then added

to his comments: "That has been received by my office, and I think we are just checking a couple of points. It should be processed within the next several days."

This testimony gives rise to three questions I would like to have answered: (1) What were the facts surrounding the request from New York City referenced in the hearing, and what is the present status of that request? (2) Since the enactment of P.L. 94-196, how many requests have been made by New York City, and what has been their disposition? (3) Since the enactment of P.L. 94-196, what States and local governments have made requests, and what has been their disposition?

Thank you for your considerate attention.

Sincerely,

S. WILLIAM GREEN,
Member of Congress.

Assistant Secretary Davis responded with the following information:

DEPARTMENT OF THE TREASURY,
Washington, D.C., July 12, 1978.

Hon. WILLIAM GREEN,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. GREEN: This responds to your letter of June 12, seeking information concerning the implementation of Public Law 94-196 which provides for the reimbursement to State and local governments of certain expenditures in cases of extraordinary protective need involving foreign diplomatic missions. You posed two questions concerning the implementation of P.L. 94-196 with regard to New York City and one question concerning requests from other State and local governments.

The Treasury Department has received two submissions under P.L. 94-196 requesting reimbursement for protective assistance rendered by the City of New York. The disposition of these requests is discussed below.

The initial submission of New York City was made on September 29, 1976, for extraordinary protective needs existing from July, 1974, to September, 1976. The total amount requested for reimbursement was \$1,289,921. On January 10, 1977, a revised request for reimbursement was submitted. The total amount of this first request was raised to \$2,451,358.78, which included the cost of protection at locations other than foreign missions or temporary domiciles and the cost of protection during travel between locations.

On January 24, 1977, Mayor Beame was informed that both of the requests from the City of New York had been received, but further detail was needed before a determination regarding reimbursement could be made. It was also explained that reimbursement could only be made if the extraordinary protective need arose in association with a visit to or occurred at a permanent mission to an international organization of which the United States is a member, an observer mission invited to participate in the work of such an international organization, or a place of temporary domicile in connection with such a visit. Therefore, the cost of protection at any other locations or during travel between locations was not reimbursable.

On April 6, 1977, New York City submitted a further updated and revised request for reimbursement. As a result of eliminating the cost of protection at locations not covered by the provisions of the law and the cost of protection during travel between locations, the amount of this request for reimbursement was reduced to \$1,220,302.71. In addition, it was determined that \$1,536.55 for escort services had also been included. Since escort services are not covered by the provisions of the law, that amount could not be reimbursed. The adjusted total reimbursed was \$1,218,739.16.

The greater part of the submission from New York City, which was pending at the time of our appropriations hearing, was approved on March 15; and we advised Congressman Steed, Chairman of our Appropriations Subcommittee, of that action. New York City had made the request, its second since enactment of the law, on December 29, 1977, seeking reimbursement for the cost of extraordinary protective needs incurred during the visits of three different foreign Heads of State to the United Nations during the period April through July, 1977. The request was for \$80,569.62, and we authorized reimbursement of \$65,365.31.

Most of the reduction, \$13,694.12, was caused by New York's combining of possible reimbursable costs with others which are not reimbursable, thus, making it impossible for us to distinguish between the two and authorize a larger payment. I advised Mayor Koch that further reimbursement may be made if New York City makes the appropriate distinctions between the cost of protective assistance for the United Nations complex (not reimbursable) and that for United Nations missions or temporary domiciles. We have not yet received any additional, distinguishing information.

Other reductions, involving several mathematical errors in the computation schedules, necessitated a reduction of \$699.17 from the total.

As in the first request in 1976, another problem arose from the eligibility provisions of Public Law 94-196, requiring that the extraordinary protective need arises in association with a visit to or occurs at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such an international organization. This would not include reimbursement for protection rendered at the international organization itself, i.e., the United Nations. Therefore, \$810.02 for assistance provided at the United Nations was deducted from the total submitted.

You should also note that an additional amount, \$36,813.49, was claimed separately for escort services provided by the N.Y.P.D.; but it was found not to be payable under Public Law 94-196.

We have not yet received any additional requests for reimbursement from New York City, but we anticipate receiving one shortly. Furthermore, I have recently discussed the matter of reimbursements with Commissioner McGuire of the New York Police Department; and Treasury is carefully reviewing the statute and the implementing regulations to ensure that New York City is receiving fair and equitable treatment within the requirements of the statute.

The City of New York has been the only jurisdiction to request assistance under Public Law 94-196. Other metropolitan areas have requested information concerning the reimbursement provisions, but no submissions have ever been received. The Secret Service has also received requests from State and local governments for reimbursement for assistance rendered under circumstances other than those covered under P.L. 94-196. However, no such reimbursements have been made since there is no authority to do so.

I hope this information is of assistance to you. If you have any further questions, please contact me.

Sincerely,

RICHARD J. DAVIS,
Assistant Secretary,
(Enforcement and Operations).

This response from Assistant Secretary Davis underscores the Treasury Department's narrow interpretation of Public Law 94-196. Indeed, Mayor Koch's office points out that the Secretary of the Treasury disallowed \$1.3 million in

claims submitted by New York City last year for police protection related to the visit of a foreign dignitary. Further, the mayor's office anticipates that an additional \$1 million will be disallowed.

The Treasury Department's reluctance to approve claims filed under the "extraordinary" protection provisions of Public Law 94-196 is at odds with the broader view of implementation of this legislation enunciated in the Senate Public Works Committee's report on the original measure (S. Rept. 94-573):

Whenever possible the Executive Protective Service should utilize local police agencies in fulfilling the duties outlined in this bill. Local police are more knowledgeable about local conditions than officers sent from Washington. And the cost savings from the use of local officers could prove substantial. The cost in salary, transportation, and benefits of sending one Executive Protective Service officer to New York City for one week is estimated by the Treasury Department at \$700, or an annual rate of about \$35,000. That is approximately twice the cost, in salary and benefits, of using one New York City policeman. The cost savings would be proportionally greater at locations more distant from Washington.

As I noted earlier, that same committee report emphasized that "local communities should no longer be forced to bear the full cost of what is essentially a national obligation." New York and the other six cities that provide police protection to 20 or more foreign missions are performing a national service that otherwise would be the responsibility of the Federal Government. In effect, local law enforcement personnel are "filling in" for Federal authorities.

Each year, New York City spends approximately \$7.9 million providing normal daily police protection to foreign missions, consulates, residences, and private properties, as well as intracity travel coverage for visiting foreign dignitaries. I believe that New York City and the other cities providing such protection should be reimbursed by the Federal Government for the expenses they incur in furnishing regular police coverage. The bill I am introducing would authorize Federal reimbursement to States and local governments for this daily police protection. However, reimbursement would not be available for services provided with respect to a foreign diplomatic mission if the local government routinely provides the same or similar services with respect to other buildings or facilities which are located in the area near the foreign mission. Thus, if a local law enforcement official stands guard in front of a foreign mission, the local government could be reimbursed for this service. In contrast, if the local law enforcement official patrols a neighborhood routinely where there happens to be a foreign mission, the local government could not be reimbursed for this activity.

My bill would remove what I consider a Federal financial responsibility from the budgets of seven major cities. This would free funds to be used for other necessary local law enforcement expenses or other budgetary priorities.

For the benefit of my colleagues, the text of the bill follows:

H.R. 1789

A bill to direct the Secretary of the Treasury to reimburse State and local governments for providing certain protection with respect to certain foreign diplomatic missions located in the United States and with respect to certain foreign officials

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) except as provided in subsection (b), the Secretary of the Treasury shall reimburse State and local governments—

(1) for providing protection on a regular basis with respect to foreign diplomatic missions located in metropolitan areas (other than the District of Columbia) in the United States where there are located twenty or more such missions headed by full-time officers; and

(2) for providing protection with respect to any foreign official during any period—

(A) when such an official is conducting business or other activities associated with a foreign diplomatic mission referred to in paragraph (1) in a metropolitan area referred to in such paragraph; or

(B) when such an official is conducting business or other activities at a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of such organization and which is located in a metropolitan area referred to in paragraph (1).

(b) No reimbursement shall be made under subsection (a) (1) for services provided by a State or local government with respect to a foreign diplomatic mission if such government routinely provides the same or similar services with respect to other buildings or facilities which are located in the area near such mission and which are not used as foreign diplomatic missions.

(c) The amount of reimbursement to be made to any State or local government during any fiscal year under subsection (a) shall equal the aggregate of all costs incurred by such government during such fiscal year in providing protection referred to in subsection (a).

Sec. 2. The Secretary of the Treasury may issue such regulations as he deems appropriate to carry out the purposes of this Act.

Sec. 3. There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act for the fiscal year ending on September 30, 1979, and for each succeeding fiscal year. ●

GOLDA MEIR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. HARRIS) is recognized for 10 minutes.

● Mr. HARRIS. Mr. Speaker, Golda Meir died shortly after Congress adjourned, but I wanted to speak briefly to my colleagues about this rare national leader who concerned herself with the fate of all Jews the world over.

Although Zionism was her core thought, her hopes reached far beyond. She left America to help create a homeland for all Jewish people. She thrust herself into the work of the kibbutz, showing no fear of getting her hands dirty.

This extraordinary woman, throughout her life of leadership, sought mutually beneficial Middle East relationships. As peace hovers on the horizon today, we can gain satisfaction in knowing that

Golda Meir will be listed in history as its primary architect. ●

JOINT RESOLUTION ON TAIWAN DEFENSE

The SPEAKER pro tempore. Under a previous order of the House the gentleman from New York (Mr. WOLFF) is recognized for 30 minutes.

GENERAL LEAVE

Mr. WOLFF. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOLFF. Recently, Mr. Speaker, I introduced legislation in the House regarding the joint resolution on Taiwan. This is similar to the resolution that was introduced by both Senator KENNEDY and Senator CRANSTON in the other body. Today we have more than 80 Members of this House who have joined in this resolution.

The language of the joint resolution clearly expresses what I feel is the concern of the great majority of the American people over the administration of this Congress, namely that the future peace and prosperity of Taiwan is and will remain a legitimate concern of the United States.

The importance of the joint resolution thus is correspondingly clear: It gives the force of law to our concerns for Taiwan and is an important step in reassuring the people on Taiwan of our serious intentions in their regard. The fact that we are moving to meet realities in Asia does not mean that we are moving away from the people of Taiwan but, rather, the opposite—that in moving to meet the realities in the region we are also moving to safeguard the continued peace and prosperity of the people of Taiwan. Without formal recognition of the People's Republic of China, achievement of this goal had to remain in doubt. Now, with a new realism in both Washington and Peking, the interests of the entire region cannot but be better addressed.

On missions to Asia in the past 2 years, in my capacity as chairman of the Subcommittee on Asian and Pacific Affairs, the leaders of nations counted on as our friends, allies and trading partners have repeatedly stressed that they too look to a peaceful solution to the future of Taiwan. This is an important point and one which I feel the leaders in Peking clearly recognize and have responded to.

On our mission to Peking last July we met for nearly 2 hours with Senior Vice Premier Teng Hsiao-ping, who is in the United States this week. In our conversations with the Vice Premier in Peking and subsequently in the United States, the interests of the United States regarding the future peace and prosperity of Taiwan and the need for continued stability in the region were fully discussed.

Our delegation was encouraged by the

Premier's words at that time and the words subsequently which he has repeated, and which I have been told by Secretary of State Vance and Assistant Secretary Holbrooke aided greatly in moving forward the important and historical process of the normalization announced September 15 by President Carter. Speaking to our delegation last July, the Vice Premier repeatedly said that in seeking a peaceful solution to the future of Taiwan, Peking would recognize what he termed the "realities" of U.S. interests on Taiwan. He specifically endorsed continued U.S. trade and social relations with the people of Taiwan along the lines which had been pursued since 1972 by Japan, a major trade partner of Taiwan. Since then, the Vice Premier has stated that the people of Taiwan should continue their own self government, maintain their own self defense, and continue their own economic system.

Thus I think it is clear that the leadership of the People's Republic of China is well aware of the united interest of their Asian neighbors, and of Taiwan's western trading partners, in a peaceful settlement to Taiwan's future.

□ 1200

It is true that while Chinese leaders have steadfastly refused to rule out the use of force on Taiwan, they have always accompanied such statements with expressions of a desire to create peaceful conditions. Indeed, it was within the context of peaceful conditions that the Vice Premier commented on the intention of the United States to continue to sell defense equipment to Taiwan once the Mutual Defense Treaty has expired. This is a legitimate concern and one which the President has addressed in his decision to continue to supply Taiwan with defensive weapons, and his equally even-handed determination not to sell offensive weapons to the People's Republic of China.

Mr. Speaker, at this point, I should like to include in the Record the contents of the joint resolution.

H.J. RES. —

Joint resolution regarding the peace, prosperity, and welfare of the people on Taiwan, and the Pescadores, and for other purposes

Whereas the governments of the United States and the People's Republic of China on January 1, 1979, recognized each other and establish diplomatic relations;

Whereas the President on January 1, 1979, terminated diplomatic relations with the Republic of China and gave notice that on December 31, 1979, the United States will terminate the Mutual Defense Treaty between the United States of America and the Republic of China, pursuant to Article X thereof;

Whereas the American people have had and desire to continue to have extensive, close and friendly relations with the people on Taiwan and the Pescadores (hereinafter "Taiwan");

Whereas the United States has a continuing interest in the peaceful resolution of the Taiwan issue and expects that the Taiwan issue will be settled peacefully by the Chinese themselves;

Whereas in pursuance of its interests in the stability and peace of the area, the United States will continue to provide Taiwan with arms of a defensive character;

Whereas the United States recognizes that an armed attack directed against Taiwan would represent a danger to the stability and peace of the area;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The President is directed to inform the Congress promptly of any danger to the interests, concerns, and expectations of the United States in the peace, prosperity, and welfare of Taiwan.

SECTION 2. The Congress finds and declares that it is the policy of the United States to act in accordance with constitutional processes and procedures established by law to meet any danger described under section 1, and otherwise to safeguard the interests, concerns and expectations of the United States.

Mr. Speaker, actually what I would like to do is to reiterate the determination of the United States to find a peaceful solution to this vexing problem.

Recently, Mr. Speaker, one of the Members of this body sent a letter around to the Members of the House stating opposition to the resolution, and that was the gentleman from Illinois (Mr. FINDLEY).

One objection the gentleman from Illinois (Mr. FINDLEY) apparently has raised with the so-called Kennedy-Wolff resolution on Taiwan is that the resolution contains "no effective congressional safeguards." Although he allows as how Kennedy-Wolff requires that action must be "in accordance with constitutional processes and procedures established by law," he points out that this resolution "will not require the President to come to Congress before sending U.S. forces to Taiwan."

What, exactly, are these "procedures established by law"? And, if that is true, as the gentleman from Illinois (Mr. FINDLEY) says, that Kennedy-Wolff "will not require the President to come to Congress before sending U.S. forces to Taiwan," why is this?

Mr. Speaker, in 1973 the Congress passed House Joint Resolution 542, the so-called war powers resolution. I am proud to say that I supported the war powers resolution at that time. It is also interesting to note that one of the principal cosponsors of this resolution was the gentleman from Illinois (Mr. FINDLEY). And, not only was he a cosponsor, but he argued eloquently and effectively for its passage on the floor of the House; and when it became time to resolve the differences between the House version and the version passed by the other body, the gentleman from Illinois (Mr. FINDLEY) was, indeed, a conferee. The passage of this important resolution was due in large part to the efforts of my distinguished colleague, the gentleman from Illinois (Mr. FINDLEY).

So he was an architect of the war powers resolution. Yet, today, he would have us believe that House Joint Resolution 542 is somehow inadequate. He would have us believe that this "procedure established by law" which he said would serve this Nation so well in time of national emergency, is, somehow, inapplicable to the Kennedy-Wolff resolution on Taiwan.

It is true that Kennedy-Wolff does not require the President to come before this Congress before committing troops to the defense of our interests on Taiwan. But why is this? It is so because the provisions of the war powers resolution, cosponsored by the gentleman from Illinois (Mr. FINDLEY) do not require that the President do this. But if this is a reason for opposing Kennedy-Wolff, then it is a reason for also repealing the war powers resolution. Yet I do not think that this Congress, nor indeed the gentleman from Illinois (Mr. FINDLEY) would advocate this.

But is it correct to state that the gentleman from Illinois (Mr. FINDLEY) has now switched his allegiance from war powers? I think not, if we review just briefly what he himself has said about this monumental legislation.

During general debate on the passage of the war powers resolution, the gentleman from Illinois (Mr. FINDLEY) stated:

I think this bill approaches the problem in a very rational manner, recognizing that there will be certain circumstances in which future Presidents will act without getting advance authority from the Congress in committing forces beyond our borders, but it provides a couple of, I think, very reasonable and very rational safeguards.

That is from the CONGRESSIONAL RECORD of June 25, 1973, at page 21218.

He goes on to state, on that same page:

The war powers resolution of 1973 contains the machinery to assure more effective participation by Congress in future national decisions involving war and peace. [P. 21218]

□ 1205

Furthermore, the gentleman from Illinois (Mr. FINDLEY) argued for the passage of the war powers resolution because, and again I quote the gentleman from Illinois (Mr. FINDLEY):

You can establish rules which will enhance the likelihood that in . . . future circumstances . . . before fighting breaks out—Congress will receive promptly a formal written report from the President . . .

Mr. Speaker, I interject by stating that is exactly what this resolution proposes to do, and we will require a formal report from the President.

I continue to quote the gentleman from Illinois (Mr. FINDLEY). He went on to say the following:

. . . detailing and justifying the steps he has ordered. Upon such a report hearings could be expected. Congress, if it deemed such advisable, could pass judgment on the wisdom, propriety, constitutionality, and necessity of the action reported.

That is from page 21219 of the CONGRESSIONAL RECORD.

Mr. Speaker, I submit that nothing in the Kennedy-Wolff resolution contravenes any of this, the assertions which the gentleman from Illinois now makes to the contrary notwithstanding.

Perhaps the gentleman from Illinois (Mr. FINDLEY) has changed his mind in the 6 years since the passage of the bill for which he labored so diligently. But how do we account for this passage after debate? The gentleman from Illinois

was quoted at that time as saying the following:

. . . the war powers resolution provides a means of preserving congressional authority and augmenting congressional control in an area that presently is not subject to effective control through Congress' traditional oversight powers. It strengthens the checks and balances which the Founding Fathers put at the base of our political system.

That is from page 21221 of the CONGRESSIONAL RECORD.

Mr. Speaker, the gentleman from Illinois (Mr. FINDLEY) supported this resolution at the time of its passage; and I submit that circumstances have not changed in the intervening years.

Far from legislating a vague U.S. defense obligation into the indefinite future, as the gentleman from Illinois would have us believe from his communication, Kennedy-Wolff is consistent with war powers, is consistent with our national interest, is consistent with constitutional doctrine, and is a reasoned, well-balanced approach which safeguards the interests, concerns, and expectations of the United States.

Mr. Speaker, the gentleman from Illinois (Mr. FINDLEY) is implying that he does not like the discretionary authority given to the President under war powers. His argument is not with Kennedy-Wolff, for under war powers, the President could act first and then consult Congress, whereas under Kennedy-Wolff he is required to inform the Congress of dangers to Taiwan.

Mr. Speaker, I suggest that the gentleman from Illinois reread sections 1 and 2 of Kennedy-Wolff if he still has a problem. If he now has abandoned the bill which he worked so hard to pass, then he should move to amend the war powers resolution.

In sum, then, it is clear that the long-range interests of all nations is in a peaceful settlement of Taiwan's future. From our mission to Peking in July, and from our recent mission to Taipei, from which I just returned, following the President's normalization announcement, I feel that leaders on both sides of the Taiwan Straits want and desire a peaceful future for their people, a future which will safeguard economic and social development, and will also safeguard the interests of the United States which are prime in this concern.

Mr. Speaker, it is within this context that I have offered this joint resolution to the House today, so that the continued determination of the people of the United States is clearly stated, not to be misunderstood by any of the parties concerned, and that any atmosphere of uncertainty regarding U.S. intentions can be alleviated insofar as possible, and appropriate, by the Congress.

● Mr. SOLARZ. Mr. Speaker, I would like to take this opportunity to share my views with my fellow colleagues on the subject of Taiwan.

As you all know, the United States has undertaken a major revision in policy toward the Republic of China, as a result of the resumption of diplomatic relations with the People's Republic of China by

President Carter. In light of our historic as well as current relationship with Taiwan, I urge that the Congress join with me in supporting the joint resolution sponsored by Congressman WOLFF in the House, and Senators CRANSTON and KENNEDY in the Senate, expressing the sense of the Congress that it is within the interest of the United States to remain pledged to safeguard the interests, concerns and welfare of Taiwan and to work to maintain peace and security in all of Southeast Asia.

It is to our benefit that the United States not forsake Taiwan, its ally of 30 years duration. Strategically, continued participation in Taiwan's security maintains and demonstrates American interests in the area. In addition, Taiwan represents one of the most advanced economies in Asia with a real growth rate of more than 5 percent. In fact, Taiwan is our eight largest trading partner. Furthermore, Taiwan has also made some positive response to the Indochina refugee problem, and has ordered all its naval and merchant ships to pick up Indochinese "boat people" in distress on the high seas, and bring them back to Taiwan. Hopefully Taiwan will eventually provide even more humanitarian assistance to this beleaguered group, many of whom are ethnic Chinese.

Politically, it is in the continued interest of the United States to demonstrate, to our allies and associates, that the U.S. Congress, as a coequal branch in the formulation of American foreign policy, does not lightly view the long tradition of trust and friendship that has existed between the peoples of Taiwan and the United States. In the months ahead, the Congress will be carefully examining the proposed changes in our relationship with Taiwan and the People's Republic of China and just what changes it views as being within our best mutual interests. Therefore, I once again urge that you join with us in supporting this resolution pledging continued support for Taiwan.●

Mr. WOLFF. Mr. Speaker, I yield back the balance of my time.

EXTEND TO INDIVIDUALS CERTAIN PROTECTION AGAINST THE UNWARRANTED INVASION OF THEIR PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. CAVANAUGH) is recognized for 5 minutes.

● Mr. CAVANAUGH. Mr. Speaker, one of the final actions of the 95th Congress was to extend to individuals certain protection against the unwarranted invasion of their privacy by the Federal Government when the Government wishes to obtain their financial records from a bank. Section 1104(d) of the Right to Financial Privacy Act requires that "financial institutions shall promptly notify all of their customers of their rights under the act." In the same subsection the Federal Reserve Board is instructed to develop a statement of an individual's rights and any bank using that statement to notify its customers will be in compliance. Some have construed the

language to mean that a financial institution is required to notify all of its customers, past and present, of their rights in order to comply with the requirements of section 1104(d). In January the chairman of the House Banking, Finance and Urban Affairs Committee, HENRY REUSS, and the chairman of that committee's Subcommittee on Financial Institutions, the Honorable FERNAND ST GERMAIN, and I sent a letter to G. William Miller, Chairman of the Federal Reserve Board, clarifying "that the intent of the Congress in including section 1104(d) was to insure that only current customers of any institution receive notification of their rights under the act." A copy of that letter follows.

In responding to our letter, the Chairman of the Federal Reserve Board on January 17 informed us that requiring notification of current customers of financial institutions is "a sensible approach to informing individuals of their privacy rights, and would eliminate unnecessary costs and burden to financial institutions." His letter goes on to suggest that financial institutions should notify customers of their rights at the time that Government requests access, but notice is already provided for in other sections of the act and requires that the Government not the financial institution be responsible for notifying a customer of his rights at the time of access. The approach of the Board's Consumer Advisory Council would merely duplicate this requirement and place an added, unnecessary burden on the financial institution. A copy of Mr. Miller's January 17 letter also follows.

In order to remedy the situation, I am, along with cosponsors, today introducing legislation which will clarify that section 1104(d) of Public Law 95-630, was intended to achieve notification of an institution's active customers only. By using the term "active" we wish to minimize the paperwork burden on financial institutions, and the cost, while at the same time fulfilling the purposes of the act. We do not intend to require that any financial institutions make any special mailing to comply with this notice requirement. Instead, an institution that chooses to notify via mail may notify its customers when it has a routine contact with them. For example, institutions that mail their customers' monthly, quarterly or yearly statements could include the notice in their statement and be in compliance. Institutions which do not have regular mailings to each of their customers, such as credit card issuers that bill only when a customer incurs charges, could select a month in which to mail notices to those customers that receive a bill in that month. This would be sufficient. Institutions, such as consumer finance companies, which do not have contact with some of their customers by mail could comply by providing the notice when a customer next visits the company's office. Credit unions operating at a plant location might choose to hand out a flier or post a notice on the bulletin board. Institutions with regular, in person, contact with customers might put a placard in the office and make notices available at their offices.

This list is not meant to be exhaustive; it is designed to illustrate ways institutions may comply with the notice provisions by making good faith efforts to notify their active customers. Of course, new customers should be provided with the notice when their account is opened.

After extensive consultation with industry representatives during the development of the Right to Financial Privacy Act, language was developed that allowed maximum flexibility to financial institutions in devising methods of notifying their customers of the existence of new privacy rights. We hope that such a notification will go forward to the institution's active customers.

The referenced letters and a copy of the bill follow:

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 11, 1979.
Hon. G. WILLIAM MILLER,
Chairman, Federal Reserve Board,
Washington, D.C.

DEAR MR. CHAIRMAN: Sec. 1104(d) of Public Law 95-630 requires that all "financial institutions," as defined in Sec. 1101(1), promptly notify all of their customers of their rights under Title XI, Right to Financial Privacy. While necessary to insure the effectiveness and implementation of all other sections of Title XI, the definitions of "customer" in Sec. 1101(5) when applied to Sec. 1104(d) seems to expand the notification of customer requirement beyond the intention of the Congress. Should a strict constructionist view of the law prevail, the cost, paperwork and time necessary for compliance would be unjustified.

During hearings conducted by the Subcommittee on Financial Institutions, Supervision and Regulations on September 22, 1977, Congressman Cavanaugh made clear by inference that the intent of the Congress in including Sec. 1104(d) was to insure that only current customers of any institution receive notification of their rights under the Act. Clearly the Congress had no desire to place excessive requirements on the financial institutions and no such burden should now be imposed upon them.

It is our hope that you will consider the intention of the Congress regarding notification in developing your response and responding to industry questions on how they should proceed.

Sincerely,

HENRY S. REUSS,
FERNAND ST GERMAIN,
JOHN CAVANAUGH.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., January 17, 1979.
Hon. JOHN J. CAVANAUGH,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CAVANAUGH: Thank you for your letter of January 11 with respect to the notice required under Section 1104(d) of the Right to Financial Privacy Act. I appreciate having your views that Congress intended that the notice should go only to current customers of financial institutions. Certainly this is a sensible approach to informing individuals of their privacy rights, and would eliminate unnecessary costs and burden to financial institutions. In considering this matter, the Board's Consumer Advisory Council recommended that the notice be required only when a Federal agency is seeking access to a customer's record. This has the advantage of notifying the customer at the very time when his rights are relevant, while reducing the notification burden even further.

In calling attention to this issue, you have expressed the hope that the Board will con-

sider the intention of Congress regarding notification in responding to industry questions on how to proceed in this matter. Of course, financial institutions will continue to be uncertain about the legal requirement since the Board does not have any rulemaking or interpretive authority under the Act.

Under the circumstances, it would seem appropriate for Congress to clarify Section 1104(d) through an amendment. It might best serve the purpose of Congress to have such an amendment require the notice at the time that access to records is being sought by the Federal government.

The Board of Governors is most appreciative of your initiative to clarify this matter. Sincerely,

BILL.

H.R. 1777

A bill to provide that financial institutions shall be required to notify only their active customers regarding the rights of such customers under the Right to Financial Privacy Act of 1978.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1104(d) of the Right to Financial Privacy Act of 1978 is amended—

- (1) in the first sentence, by inserting "active" after "notify all of their"; and
- (2) in the third sentence, by inserting "active" after "provides its".

ARCHEOLOGICAL RESOURCES PROTECTION ACT OF 1979

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

● Mr. UDALL. Mr. Speaker, today I am introducing the Archeological Resources Protection Act of 1979. Mr. RHODES and Mr. RUDD, of my home State of Arizona, and Mr. LUJAN, Mr. RUNNELS, Mr. MARRIOTT, Mr. SEIBERLING, and a number of other Members are cosponsoring this bill in the House. I am pleased to note two other fellow Arizonans, Mr. GOLDWATER and Mr. DeCONCINI, are cosponsoring a companion measure in the Senate to be introduced by Mr. DOMENICI of New Mexico.

Mr. Speaker, the purpose of this bill is to put a stop to what has become a tragic crime—the theft of irreplaceable Indian relics and artifacts from the public lands, particularly those in the Southwest.

This bill provides improved protection for important archeological resources and sites on federally owned public lands. The reasons why new legislation is needed are twofold: First, recent court rulings in the Ninth Circuit Court of Appeals (covering Arizona, California, Idaho, Montana, Nevada, Oregon, Washington, Alaska, Hawaii, and Guam) have held that the existing law protecting archeological artifacts is unconstitutionally vague. Second, even if the existing act were to be eventually upheld in the courts, the outdated penalties of a \$500 fine and/or 90 days in jail are no deterrents to unscrupulous looters removing literally thousands of dollars worth of artifacts from public lands. In effect, this means that we have no way to prosecute and punish artifact thieves even if they are caught. Such a case

happened in Phoenix a year ago, and caused some understandable outrage in the local press in that city.

The bill simply provides that no archeological resources may be disturbed or removed from public lands without first receiving a permit from the Secretary of the agency whose lands are involved. In order to receive a permit from the affected Secretary, an individual or organization must be deemed qualified to carry out the activity, and all archeological resources removed must be preserved for a satisfactory period of time in a suitable location, such as a museum or university.

The legislation also imposes stiff, but fair, penalties for all those convicted hereafter of removing or damaging archeological resources on public lands without a permit. Trafficking in illegally obtained artifacts is prohibited also. Civil penalties are provided for occasional violators; (that is, an unwary tourist) and criminal penalties are provided for more serious violations, with maximum penalties set at \$100,000 and/or 5 years in prison. Individuals providing information leading to conviction of violators may receive rewards up to \$2,500. These rewards should act as incentives to ranchers and other citizens assisting in the enforcement of the act. This reward system is needed because of the remoteness of many of the archeological sites and the lack of adequate Federal enforcement personnel to police them.

This legislation is not intended to interfere in any way with legitimate "rock-hounding" or mining activities, and no permit is required under this act for those activities.

We are after those people who literally are stealing our national heritage, in pieces. Unless we act now, a large part of these priceless relics will be gone forever, not to wind up in museums for the education and enjoyment of all, but on the private mantels of the wealthy, many of them in other countries.

These thieves are now operating with impunity throughout the Southwest. They are brazen enough to use bulldozers and backhoes to destroy huge prehistoric sites for quick profit.

Yet this need not be the case. If we move now, we can pass this tough, new law and save this important part of our past. To do otherwise would amount to surrender to a pack of vandals of history—and we shall all be the losers. ●

□ 1210

DESIGNATION OF MEMBERS OF COMMITTEE ON WAYS AND MEANS AS MEMBERS OF JOINT COMMITTEE ON TAXATION

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Committee on Ways and Means:

COMMITTEE ON WAYS AND MEANS,
Washington, D.C., January 31, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: Pursuant to section 8002 of the Internal Revenue Code of 1954, the following Members of the Committee on

Ways and Means have been designated as Members of the Joint Committee on Taxation:

The Honorable Al Ullman.
The Honorable Dan Rostenkowski.
The Honorable Charles A. Vanik.
The Honorable Barber B. Conable, Jr.
The Honorable John J. Duncan.
Sincerely,

AL ULLMAN, Chairman.

THE HONORABLE JAMES A. BURKE

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, when I first came to Congress 6 years ago, I quickly came to rely on my friend and colleague Jim Burke who retired after 20 years of distinguished service at the end of the last session.

Jim Burke was one of the finest men I have ever known, or ever hope to know, and I will always treasure our friendship. Recently, Jim Burke's hometown paper, the Patriot-Ledger ran an outstanding feature on his service and it is a distinct honor for me to insert this article in the RECORD:

JIMMY BURKE—BITTEN BY POLITICS BUG EARLY, HE NEVER LOST IT

(By Jack Keough)

"Politics," says James Aloysius Burke as he sits back in his chair and chomps on his ever-present cigar, "is like having a continual virus. Once it's in your system, it stays."

For most of Burke's 68 feisty years that virus has infected him—the last 20 while serving as congressman from Massachusetts' 11th District.

The virus has been thwarted now and it is time for Burke to call it quits from the profession he so dearly loves.

James Burke was born in South Boston in 1910—"once you're from South Boston, you're always from there"—the youngest in a family of 10.

"They were always picking on me because I was the youngest," he says with a laugh. "As a matter of fact, they still do."

In 1917, the Burke family moved to Mattapan and Burke graduated from Boston English High School. A year later he became involved in the rough and tumble world of Boston politics at the ward level.

Several years later he was elected to the state legislature as a representative and soon afterwards became one of the few Boston representatives supporting Maurice Tobin for mayor of Boston.

Tobin won, and Burke later became registrar of the Bureau of Vital Statistics for the city.

In 1940, at the age of 30, Burke resigned his position and challenged John McCormack for a congressional seat.

Burke lost—badly.

"John McCormack ran a decent campaign. The people made the right decision in voting him into office. He was the man for the job."

An ironic turn of events 20 years later would show House Speaker McCormack using his influence in getting Burke, only in his second term in Congress, named to the prestigious and powerful Ways and Means Committee.

Only three others have been elected to Ways and Means that early in his career. Burke would serve on that committee for the next 18 years, rising to become its ranking member.

During World War II, Rep. Burke was a special agent with Military Intelligence and was attached to the 77th Infantry Division in the South Pacific, serving a total of 45 months. He also won four battle stars and several other decorations.

He says that military intelligence helped in the 11th District.

"I guess you could say I had my own intelligence network," he says. "I think I knew enough people so that I was aware of everything happening in the district."

Burke served 10 years in the Massachusetts legislature, four as assistant majority leader.

He says the legislature is a great training ground for any congressman.

"You can't buy the experience you get," he says. "I really enjoyed the legislative work." He adds that a man who is elected to Congress and has not served in state, county or local government would be "lost in Washington."

Former House Speaker McCormack served many years in the state legislature with Burke. "He is one of the finest and most dedicated legislators I have ever served with."

Burke was also involved in the real estate business. He was a success, colleagues note, and had at one time 30 employees.

In 1954, Burke barely lost the Democratic nomination for lieutenant governor to Sumner Whittier. "It was a fortuitous defeat," friends recall, and set the stage for Burke's run for Congress four years later.

In 1958, Burke remembers he was completing a real estate transaction in his Mattapan office when he received a telephone call from a reporter saying that veteran Rep. Richard Wigglesworth was retiring and was Burke going to be a candidate.

"I just said sure. Why not? I really hadn't even thought a great deal about it."

It was a multi-candidate race and Burke says he won by 11,000 votes. Some say Burke is getting old, but he can remember how many votes he won by in almost all his elections. In four of those 10 elections he received the highest vote in any congressional race in the country.

He quickly developed a reputation for rarely missing roll calls, often achieving a 100 percent attendance call record. He was said to be a good legislator, although some critics said his focus was limited to his district.

Burke denies those charges.

"I always felt that the nation came first, the district second and covering my political hide came third."

Some also mention his strong belief in the seniority system which is imposed in Burke's own office staff.

"Yes, I've always been a firm believer in the seniority system," he says. "Of course, that's once I had the seniority."

He also recalls the tumultuous times in Washington during the Vietnam War. "No one ever knew the magnitude of the war once we were first involved. Many members of Congress accepted the word of the defense department and the administration. Very clearly it was a different situation."

Some Burke critics mention Burke's early support of the Vietnam War under President Johnson and only switching over during the tenure of President Nixon.

Burke recalls in 1967 speaking to a group at Faneuil Hall saying that Vietnam was a "bottomless pit, and we had to get out."

Burke also took flak for voting present on a House resolution to reprimand Rep. Robert L. Sikes, D-Fla., on two counts of financial misconduct. He was one of five congressmen to take that approach.

"I don't believe Congress is the arena for bringing in questions of that type. I believe if a man has broken the law his place is in the court. A legislative body is not a place for enforcing the law. There

are three branches of government—executive, legislative and judicial. Some of these things belong in the judicial."

He also says that a lengthy report concerning Sikes was given to him only minutes before the vote. "How can anyone digest that information in that amount of time. It would take weeks to look over that report."

Burke acquired the recognition of aiding the "little man" while he served in Congress. He had an efficient staff that followed up problems sent in by constituents and had a genuine concern for those persons needing federal help.

"I think a congressman's staff has to be interested in people. You have to really care about them. A woman who's awaiting a Social Security check or a man waiting for his veteran's pension. These are real everyday problems that a congressman has to work to solve."

He mentions how his office sometimes received a 1,000 letters a day. "We followed up on all the letters, but we took a special interest in those that were handwritten. These are the people who took so much time—they always seemed to have a genuine problem. We helped the best we could."

Burke was known for the "bread and butter theme" he espoused for so many years. His campaigns were always based on "jobs, jobs and more jobs."

He was applauded by local officials for his early fighting for restrictions on imported shoes and assisting the General Dynamics shipyard in obtaining contracts for LNG tankers.

Burke always said that General Dynamics was a barometer of the economy of the South Shore. He took a special interest in the yard and won the respect of both management and union officials.

He was praised for putting language in a bill which will enable a new Fore River Bridge to be built so that General Dynamics will be able to compete with other shipyards in making larger vessels.

The action can mean thousands of more jobs for South Shore residents.

Last week Sen. Allen D. McKinnon filed legislation for the proposed new bridge to be named the James Burke Bridge—an action already advocated by Congressmember Brian J. Donnelly of Dorchester, Burke's successor.

"If it should be named after anybody it should be named after Jim Burke," Donnelly said, adding that Burke's greatest trademark was his constituency-oriented administration.

"He fought like hell for us," one union official said. "We're going to miss him."

It wasn't surprising for a reporter covering the General Dynamics strike in 1977 to receive a phone call from Burke asking the status of mediation efforts.

What was surprising was Burke making the call from his hospital bed where he was being fitted for an artificial foot, his leg having been removed due to diabetes.

Despite that, his spirits were still high and he told the reporter he was feeling well, but "wouldn't be kicking field goals for the Patriots."

He fought the Postal Service which wants to put an incoming mail distribution center in the Five Corners section of Braintree. The action would mean the closing of some local post offices.

"I can tell you this," Burke promises. "They're sure not going to put that center in while I'm in office."

He won the praise of postal unions for his work. "Jim Burke's always been our friend," a union postal official said.

Burke was widely known for his work in attempting to change the Social Security system.

Burke advocated one-third of Social Security be paid by the general revenue, one-third

by the worker and one-third by the employer.

His efforts failed.

"I can't understand why they (Congress) opposed this. It would have helped the average worker a great deal."

He served as chairman of the House Ways and Means Subcommittee on Social Security and filed legislation which would have increased the amount an individual could earn while still receiving Social Security.

He also filed a package of proposed amendments to the Social Security Act aimed at averting the fiscal crisis facing the disability insurance program.

Burke is also the ranking member of the unemployment compensation subcommittee and sits on the Joint Committee on Internal Revenue.

Those who work with Burke have nothing but respect for the veteran congressman.

"He's thorough, very thorough," one aide says, mentioning that Burke rarely had to be brought up to date on committee matters because he is seldom absent from meetings.

Burke's only notable absences came in his last term in office because of his illness. But that still didn't stop him from getting around in his motorized wheelchair, attending meetings and at one point berating his colleagues on the Social Security vote.

He and his wife, Aileen, live a relatively simplistic life in their apartment in the Cathedral Heights section of the nation's capital.

He says he was never one for attending large parties or functions, preferring instead to go out to the theater with his wife.

He is an avid reader—especially of history. He was a heavy smoker at one time cut back and tried a pipe—"I hated it"—and instead likes to chomp on his cigar.

"I used to think you needed at least one vice before you left this world," he says.

He jokes about politics never having made him a rich man and notes the mortgage still exists on his Milton home.

Burke says that he never had a great deal of formal education, but tried to use common sense looking for loopholes or improper language in bills.

A number of changes have occurred in Washington during his 20-year tenure. He has served under six presidents, and four speakers of the House and many of his colleagues have come and gone.

"The burden on a congressman just keeps increasing the longer you're here."

For the most part, he respects those fellow congressmen.

"The great majority of them work hard—very hard. You know it's not an easy thing to go to Congress in that you often lose contact with your family. You're tied to your job."

He says that in his long political career he has made mistakes.

"You always regret some things that you've done. But I'm human. And humans make mistakes. I've just tried to do the best job that I could and vote the way I believed in."

He quickly ticks off the towns and cities he has represented in those 20 years. In addition to his present district at one time or another he has represented Dedham, Canton, Norwood, Westwood, Needham and Sharon.

There is little sadness as Burke says his plans now call for him just being active working for the elderly diabetic groups and doing volunteer work.

He wants to have some repair work done at his Brush Hill Road home in Milton—"We just haven't spent enough time there," he says.

He also wants to work in his garden—"there's 18 inches of rich, dark soil there"—and hopefully to get the type of beautiful garden his brother has in Boston.

Burke has always had a close affinity for the soil.

A few years ago, he filed a bill to distribute

seeds and plants to the American public and he once described himself as the founder of a new "return to the soil movement."

He said the public was tired of being "gouged in the marketplace. The world food shortages and spiraling food prices necessitate action by Congress to encourage private production of food."

He is 68 now and 42 years of public service are behind him. The loss of his foot forces him to get around in a walker and he is said to be blind in one eye.

It was not another candidate who forced Jim Burke to leave office but the worst opponent of all—illness.

When he announced he would not seek re-election—despite a poll showing an easy victory—Burke noted that "with the exception of periods of hospitalization or deaths in my family I have not absented myself from committee or House floor. I believe this is the caliber of service my constituency is entitled to. Of recent date, some problems have arisen. They place doubt in my mind that I can render this type of service. Therefore I announce I will not seek re-election."

When Jim Burke talks politics, the twinkle returns to his eyes and the vibrancy which colleagues on the House floor have seen so often returns.

"I have no real regrets," he says. "I enjoyed all of it. I always said I wanted to leave while the music's playing and I can still smell the roses. That's what I'm doing."

"And I'll tell you something," he said, as he leans forward as though confiding a secret. "I'd darn well do it all again."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BETHUNE) to revise and extend their remarks and include extraneous matter:)

Mr. GREEN, for 10 minutes, today.

Mr. ASHBROOK, for 15 minutes, today.

(The following Members (at the request of Mr. PEYSER) to revise and extend their remarks and include extraneous matter:)

Mr. HARRIS, for 10 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. WOLFF, for 30 minutes, today.

Mr. DRINAN, for 5 minutes, today.

(The following Members (at the request of Mr. BOLLING) to revise and extend their remarks and include extraneous material:)

Mr. CAVANAUGH, for 5 minutes, today.

Mr. DUNCAN of Oregon, for 5 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mrs. CHISHOLM, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BETHUNE) and to include extraneous matter:)

Mr. CLINGER.

Mr. MOORHEAD of California.

Mr. MICHEL in two instances.

Mr. GINGRICH.

Mr. ASHBROOK in four instances.

Mr. LAGOMARSINO in two instances.

Mr. KINDNESS.

Mr. GILMAN in two instances.

Mr. WYDLER.

(The following Members (at the request of Mr. PEYSER) and to include extraneous matter:)

Mr. ROBERTS.

Mr. FOUNTAIN.

Mr. RANGEL.

Mr. FISHER in 10 instances.

Mr. REUSS.

Mr. RICHMOND in two instances.

Mr. BIAGGI in 10 instances.

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. MURPHY of New York.

Ms. BYRON in 10 instances.

Mr. ROSENTHAL in 10 instances.

Mrs. BOUQUARD in five instances.

Mr. HAMILTON in 10 instances.

Mr. McDONALD in 10 instances.

Mr. VAN DEERLIN.

Mr. MINISH.

Mr. LUKEN.

Mr. DELLUMS in two instances.

(The following Members (at the request of Mr. BOLLING) and to include extraneous matter:)

Mr. ZEFERETTI.

Mr. JOHNSON of California.

Mr. HARRIS.

Mr. UDALL.

Mr. NATCHER.

Mr. LaFALCE.

Mr. MATHIS.

Mr. LEVITAS.

Mr. SMITH of Iowa.

Mr. CONYERS.

Mr. BOLAND in two instances.

ADJOURNMENT

Mr. BOLLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until Monday, February 5, 1979, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

530. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the first annual report on applications for conditional registrations under sections 3(c)(7)(B) and (C) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, pursuant to section 29 of the act (92 Stat. 838); to the Committee on Agriculture.

531. A letter from the president and chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during December 1978 to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

532. A letter from the Acting Assistant Secretary of the Interior for Land and Water Resources, transmitting notice of a deferral of payment of construction charges for the Webster Irrigation District No. 4, Pick-Sloan Missouri Basin program, Kansas, pursuant to section 17(b) of the Reclamation Project Act of 1939, as amended; to the Committee on Interior and Insular Affairs.

533. A letter from the Acting Assistant Secretary of the Interior for Land and Water Resources, transmitting a draft of proposed legislation to increase the appropriations

ceiling for title I of the Colorado River Basin Salinity Control Act (the Act of June 24, 1974; 88 Stat. 266) and for other purposes; to the Committee on Interior and Insular Affairs.

534. A letter from the Secretary of State, transmitting a report on discriminatory trade practices affecting U.S. foreign relations, pursuant to section 606(b) of Public Law 95-426; to the Committee on International Relations.

535. A letter from the Assistant Secretary of State for Congressional Relations, transmitting 115 country reports on human rights practices for 1978, pursuant to sections 116(d)(1) and 502B(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

536. A letter from the Chairman, National Advisory Committee on Oceans and Atmosphere, transmitting a special report on the committee's review of the implementation of the Coastal Zone Management Act, pursuant to section 4(a) of Public Law 95-63; to the Committee on Merchant Marine and Fisheries.

537. A letter from the Assistant Attorney General for Administration, transmitting a report on positions in the Justice Department, the Law Enforcement Assistance Administration, the Immigration and Naturalization Service, and the Bureau of Prisons during calendar year 1978 in grades GS-16, 17, and 18, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARR:

H.R. 1770. A bill to increase deposit insurance from \$40,000 to \$100,000 for accounts which qualify as individual retirement accounts and accounts established under qualified (Keogh) plans for the self-employed; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1771. A bill to amend the State and Local Fiscal Assistance Act of 1972 to provide incentives for the funding of education by means other than property taxes; to the Committee on Government Operations.

H.R. 1772. A bill to require Federal agencies to report to Congress certain expenditures made for or on behalf of Members of Congress or employees of Congress and to provide for the reimbursement of such expenditures; to the Committee on House Administration.

H.R. 1773. A bill to amend the Federal Aviation Act of 1958 to provide for criteria for the provision of air navigation and traffic control facilities and services, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1774. A bill to provide for payment of National Service Life Insurance benefits with respect to members of the Armed Force who were killed in action during 1942 without having life insurance in effect and after the expiration of the period provided for gratuitous life insurance benefits for members of the Armed Forces; to the Committee on Veterans' Affairs.

H.R. 1775. A bill to amend titles II and XVI of the Social Security Act to provide that an individual receiving child's insurance benefits on the basis of blindness or other disability shall not lose his or her entitlement to such benefits by reason of marriage, if such marriage is to a recipient or supplemental security income benefits; to the Committee on Ways and Means.

Mr. LEVITAS (for himself, Mr. PEPPER, Mrs. COLLINS of Illinois, Mr. HAMILTON, Mr. BROVHILL, Mr. MAZZOLI, Mr. DERWINSKI, Mr. BLANCHARD, Mr.

MINETA, Mr. PRICE, Mr. ALEXANDER, Mr. ZEPERETTI, Mr. CARR, Mr. AU COIN, Mr. HUGHES, Mr. RATCHFORD, Mr. BENJAMIN, Mr. GEPHARDT, Mr. PANETTA, Mr. KEMP, Mr. DASCHLE, Mr. JACOBS, Mr. GINN, Mr. MATHIS, Mr. BRINKLEY, Mr. FOWLER, Mr. GINGRICH, Mr. McDONALD, Mr. EVANS of Georgia, Mr. JENKINS, Mr. BARNARD, Mr. CHARLES WILSON of Texas, Mr. LONG of Maryland, Mr. MOORE, Mr. ANDREWS of North Dakota, Mr. DUNCAN of Tennessee, Mr. GRADISON, Mr. GUDGER, Mr. WHITLEY, Mr. FOUNTAIN, Mr. HOLLAND, Mr. LOTT, Mr. ANDERSON of California, Mr. MADIGAN, Mr. D'AMOURS, Mr. KINDNESS, Mr. MCKAY, Mr. SENSENBRENNER, Mr. PRITCHARD, Mr. HUBBARD, Mr. SPENCE, Mr. BEVILL, Mr. BUTLER, Mr. HUCKABY, Mr. VOLKMER, Mr. NEAL, Mr. STOCKMAN, Mr. CORCORAN, Mr. YATRON, Mr. LLOYD, Mr. KILDEE, Mr. WINN, Mr. CHAPPELL, Mr. BAFALIS, Mr. KRAMER, Mr. GUYER, Mr. NOWAK, Mr. LAGOMARSINO, Mr. SANTINI, Mr. CLEVELAND, Mr. LENT, Mr. WHITEHURST, Mrs. HOLT, Mr. MONTGOMERY, Mr. SNYDER, Mr. BROWN of Ohio, Mr. COELHO, Mr. RUNNELS, Mrs. BOUQUARD, Mr. ENGLISH, Mr. DORNAN, Mr. BURGNER, Mr. MYERS of Indiana, Mr. EDWARDS of Oklahoma, Mr. ROBERT W. DANIEL, Jr., Mr. BUCHANAN, Mr. HINSON, Mr. LEE, Mrs. SNOWE, Mr. DOUGHERTY, Mr. ICHORD, Mr. COUGHLIN, Mr. DUNCAN of Oregon, Mr. MARTIN, Mr. BADHAM, Mr. YOUNG of Missouri, Mr. DAVIS of South Carolina, Mr. GAYDOS, Mrs. SPELLMAN, Mr. ROTH, Mr. WYATT, Mr. HOLLENBECK, Mr. CAMPBELL, Mr. LEACH of Iowa, Mr. HAGEDORN, Mr. GRAMM, Mr. DONNELLY, Mr. MAVROULES, Mr. LUKE, Mr. ABDON, Mr. HEFNER, Mr. NICHOLS, Mr. PASHAYAN, Mr. ROBERTS, Mr. COLEMAN, Mr. FORSYTHE, Mr. BONER, Mr. HYDE, and Mr. ROE):

H.R. 1776. A bill amending title 5 of the United States Code to improve agency rule-making by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. CAVANAUGH (for himself, Mr. GOLDWATER, Ms. OAKAR, and Mr. MITCHELL of Maryland):

H.R. 1777. A bill to provide that financial institutions shall be required to notify only their active customers regarding the rights of such customers under the Right to Financial Privacy Act of 1978; to the Committee on Banking, Finance and Urban Affairs.

By Mr. COLEMAN:

H.R. 1778. A bill to amend the Disaster Relief Act of 1974; to the Committee on Public Works and Transportation.

By Mr. DANIEL B. CRANE:

H.R. 1779. A bill to provide for a 5-percent salary reduction for Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. PHILIP M. CRANE:

H.R. 1780. A bill to provide for the recovery by a prevailing defendant in Federal criminal cases of a reasonable attorney's fee and other reasonable litigation costs; to the Committee on the Judiciary.

By Mr. DICKINSON:

H.R. 1781. A bill to amend title 5, United States Code, to provide that civilian air traffic controllers of the Department of Defense shall be treated the same as air traffic controllers of the Department of Transportation for purposes of retirement, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DICKS:

H.R. 1782. A bill to amend the Internal Revenue Code of 1954 with respect to the period for including in gross income certain advance payments accrued by life care communities; to the Committee on Ways and Means.

By Mr. ERDAHL:

H.R. 1783. A bill to amend section 304 of the Federal Election Campaign Act of 1971 with respect to waiver of certain quarterly reports filed with the Federal Election Commission; to the Committee on House Administration.

By Mr. CONYERS:

H.R. 1784. A bill to revise the overtime compensation requirements of the Fair Labor Standards Act of 1938 to provide that effective January 1, 1983, employees who work more than 35 hours in any workweek shall receive overtime compensation for such work at twice their regular rate of pay, and for other purposes; to the Committee on Education and Labor.

By Mr. FISHER (for himself, Mr. CONABLE, and Mr. GRADISON):

H.R. 1785. A bill to amend the Internal Revenue Code of 1954 to allow the charitable deduction to taxpayers whether or not they itemize their personal deductions; to the Committee on Ways and Means.

By Mr. FUQUA (by request):

H.R. 1786. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes; to the Committee on Science and Technology.

H.R. 1787. A bill to authorize a supplemental appropriation to the National Aeronautics and Space Administration for Research and Development; to the Committee on Science and Technology.

By Mr. GIBBONS:

H.R. 1788. A bill to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for 2 years, the date on which the Pension Benefit Guaranty Corporation is required to pay benefits under terminated multiemployer plans; to the Committee on Education and Labor.

By Mr. GREEN:

H.R. 1789. A bill to direct the Secretary of the Treasury to reimburse State and local governments for providing certain protection with respect to certain foreign diplomatic missions located in the United States and with respect to certain foreign officials; to the Committee on International Relations.

By Mr. HANLEY:

H.R. 1790. A bill to amend title 39, United States Code, to provide that certain property held by the U.S. Postal Service shall be subject to certain provisions of the Federal Property and Administrative Services Act of 1949 relating to surplus and excess property; to the Committee on Post Office and Civil Service.

H.R. 1791. A bill to amend section 107 of the Energy Reorganization Act of 1974 (42 U.S.C. 5817) to provide that any site within a State selected by the Department of Energy for radioactive waste storage shall be subject to review and disapproval by the legislature of such State; jointly, to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce.

By Mr. HARRIS (for himself, Mr. DIGGS, Mr. FAUNTROY, Mr. FISHER, Mrs. SPELLMAN, and Mr. BARNES):

H.R. 1792. A bill to amend the National Capital Transportation Act of 1969 to authorize additional Federal contributions for the cost of construction of the rapid transit system of the National Capital Region, to provide an orderly method for the retirement of bonds issued by the Washington Metropolitan Area Transit Authority, and to provide an authorization for an annual Federal

payment to such Authority to provide assistance in meeting expenses of operation and maintenance of such system to reflect the special Federal relationship to such system; to the Committee on the District of Columbia.

By Ms. HOLTZMAN:

H.R. 1793. A bill to amend the McCarran-Ferguson Act to provide for a civil remedy in the U.S. district courts for sex discrimination in insurance policies; to the Committee on Interstate and Foreign Commerce.

H.R. 1794. A bill to provide a civil remedy in the U.S. district courts for sex discrimination in insurance policies; to the Committee on Interstate and Foreign Commerce.

By Mr. LEHMAN:

H.R. 1795. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. LUKE:

H.R. 1796. A bill to amend the Internal Revenue Code of 1954 to provide reductions in individual tax rates which are conditioned on reductions in the levels of Federal expenditures; to the Committee on Ways and Means.

By Mr. MATTOX (for himself, Mr. ALBOSTA, Mr. BUCHANAN, Mr. CARR, Mr. CORRADA, Mr. D'AMOURS, Mr. HUGHES, Mr. LAFALCE, Mr. MURPHY of Pennsylvania, and Mr. PANETTA):

H.R. 1797. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide (in two steps) for the financing of the hospital insurance program from general revenues rather than through the imposition of medicare taxes as at present, and to eliminate the special statutory increases in the earnings base which are presently scheduled for 1980 and 1981; to the Committee on Ways and Means.

By Mr. MURPHY of New York (for himself, Mr. BREAUX, Mr. FORSYTHE, Mr. STUDDS, Mr. BOWEN, Mr. YOUNG of Alaska, Mr. BONKER, Mr. D'AMOURS, Mr. LENT, Ms. MIKULSKI, Mr. AKAKA, Mr. EMERY, and Mr. TRIBLE):

H.R. 1798. A bill to authorize appropriations to carry out the Fishery Conservation and Management Act of 1976 during fiscal years 1980, 1981, and 1982; to the Committee on Merchant Marine and Fisheries.

By Mr. PICKLE:

H.R. 1799. A bill to amend the Internal Revenue Code of 1954 to provide that the adjusted gross income limitation will apply to all taxpayers eligible for the credit for the elderly and increase the amount of such limitation; to the Committee on Ways and Means.

H.R. 1800. A bill to amend section 1861(e) (5) of the Social Security Act to extend to 1982 the waiver of the 24-hour nursing service requirement permitted for certain rural hospitals; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ROBERTS:

H.R. 1801. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

H.R. 1802. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 1803. A bill to create a public works program for the purpose of reducing unemployment; to the Committee on Public Works and Transportation.

H.R. 1804. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide a comprehensive program of health care by strengthening the organization and delivery of health care nationwide and by making comprehensive health care insurance (including coverage for medical catastrophes) available to all Americans,

and for other purposes; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ROBERTS (by request):

H.R. 1805. A bill to amend title 38, United States Code, to prescribe certain definitions to be used by the Secretary of Labor for purposes of the program established by chapter 41 of such title with respect to job counseling, training, and placement services for veterans; to the Committee on Veterans' Affairs.

H.R. 1806. A bill to amend title 38, United States Code, to allow the 10-year period during which the spouse of a veteran with a permanent and total service-connected disability may receive educational assistance from the Veterans' Administration to be computed from the date of marriage of such spouse and veteran; to the Committee on Veterans' Affairs.

H.R. 1807. A bill to amend title 38, United States Code, to provide educational benefits, on a prorated basis, to children and spouses of veterans having permanent service-connected disabilities rated at not less than 80 percent, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1808. A bill to amend title 38, United States Code, to provide certain National Service Life Insurance policyholders an opportunity to double their National Life Insurance coverage; to the Committee on Veterans' Affairs.

By Mr. ROBERTS (for himself and Mr. HAMMERSCHMIDT) (by request):

H.R. 1809. A bill to amend title 38, United States Code, to provide that when referring individuals for employment with Federal contractors and subcontractors local employment service officers of the Department of Labor shall refer disabled veterans and veterans of the Vietnam era before referring any individual who is not such a veteran; to the Committee on Veterans' Affairs.

H.R. 1810. A bill to amend title 38, United States Code, to decrease from 250,000 to 150,000 the number of veterans and other eligible persons in a State for which the Secretary of Labor assigns an assistant veterans' employment representative too such State; to the Committee on Veterans' Affairs.

H.R. 1811. A bill to amend title 38, United States Code, to increase the specially adapted housing assistance grant for certain disabled veterans from \$30,000 to \$35,000; to the Committee on Veterans' Affairs.

H.R. 1812. A bill to amend title 38, United States Code, to liberalize the provisions for special emphasis in employment of disabled veterans; to the Committee on Veterans' Affairs.

H.R. 1813. A bill to amend title 38, United States Code, to establish a Court of Veterans' Appeals and to prescribe its jurisdiction and functions; to the Committee on Veterans' Affairs.

H.R. 1814. A bill to amend title 38, United States Code, to transfer the functions of the Secretary of Labor under chapters 41, 42, and 43 (relating to job counseling, training, placement, and reemployment of veterans) to the Administrator of Veterans' Affairs, to create the office of Associate Deputy Administrator for Veterans' Employment, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1815. A bill to amend title 38, United States Code, to provide special housing assistance to certain veterans with permanent and total service-connected disabilities; to the Committee on Veterans' Affairs.

H.R. 1816. A bill to amend chapter 41 of title 38, United States Code, to authorize the appointment of an Assistant Secretary of Labor for Veterans' Employment, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RODINO (for himself, Mr. DUNCAN of Oregon, Mr. GRAY, Mr. LEDERER, Mr. MITCHELL of New York, Mr. MURPHY of New York, and Mr. OBERSTAR):

H.R. 1817. A bill to amend title II of the Public Works Employment Act of 1976 to extend the antirecession provisions of that act, and to establish a supplementary antirecession fiscal assistance program for local governments suffering severe unemployment; to the Committee on Government Operations.

By Mr. SATTERFIELD:

H.R. 1818. A bill to delay any action which may be taken by the Secretary of Agriculture respecting nitrites used as a food preservative on the basis of any carcinogenic effect nitrites may be represented to have; to the Committee on Agriculture.

H.R. 1819. A bill to amend the Federal Food, Drug, and Cosmetic Act to broaden the discretion of the Secretary of Health, Education, and Welfare respecting certain food additives found to induce cancer in animals; to the Committee on Interstate and Foreign Commerce.

H.R. 1820. A bill to amend title VIII of the Public Health Service Act to extend for 2 fiscal years the program of assistance for nurse training; to the Committee on Interstate and Foreign Commerce.

H.R. 1821. A bill to amend title XVIII of the Social Security Act with respect to reimbursement of physicians' services in teaching hospitals; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. SLACK:

H.R. 1822. A bill to amend the Clean Air Act to postpone for 1 year the application of certain restrictions to areas which have failed to attain national ambient air quality standards and to delay for 1 year the date required for adoption and submission of State implementation plans applicable to these areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 1823. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. TRIBLE:

H.R. 1824. A bill to amend title 5 of the United States Code to correct inequities in the determination of rates of basic pay in conversions to the General Schedule of employees and positions subject to prevailing rate pay schedules; to the Committee on Post Office and Civil Service.

By Mr. UDALL (for himself, Mr. RHODES, Mr. SEIBERLING, Mr. CLAUSEN, Mr. LUJAN, Mr. RUNNELS, Mr. RUDD, and Mr. MARRIOTT):

H.R. 1825. A bill to protect archaeological resources owned by the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ZEPERETTI:

H.R. 1826. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. PHILIP M. CRANE:

H.J. Res. 180. Joint resolution designating the week of October 7, 1979, through October 13, 1979, as "National Respect Life Week"; to the Committee on Post Office and Civil Service.

By Mr. ERDAHL:

H.J. Res. 181. Joint resolution proposing an amendment to the Constitution to alter the manner in which candidates are elected President and Vice President of the United States and creating a National Canvassing Board; to the Committee on the Judiciary.

H.J. Res. 182. Joint resolution proposing an amendment to the Constitution changing the term of office of President and Vice President and Members of the U.S. House of Representatives, and amending the length of time a person may serve as President,

Vice President, U.S. Senator, or U.S. Representative; to the Committee on the Judiciary.

By Mr. NOLAN (for himself, Mr. WOLFF, Mr. TRAXLER, Mr. BURLISON, Mr. HANCE, Mr. WILLIAMS of Montana, Mr. HIGHTOWER, and Mr. STANGELAND):

H.J. Res. 183. Joint resolution raising the price support levels for milk, wheat, corn, soybeans, and cotton to 90 percent of the respective parity prices therefor, and for other purposes; to the Committee on Agriculture.

By Mr. NOWAK:

H.J. Res. 184. Joint resolution designating the first Sunday of October in every year as "National Choir Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. ROBERTS:

H.J. Res. 185. Joint resolution proposing an amendment to the Constitution of the United States which, except in times of war or national emergency, prohibits the Congress from making appropriations for a fiscal year in excess of the amount of estimated revenue during that year, and requires that the amount of the debt of the United States not exceed the amount of that debt on the date of the adoption of the amendment; to the Committee on the Judiciary.

By Mr. SCHULZE:

H.J. Res. 186. Joint resolution proposing an amendment to the Constitution of the United States to provide for a 6-year term for the President and Vice President, to limit the number of terms the President and the Vice President may serve, to provide for 3-year terms for Representatives, to limit the number of consecutive terms Senators and Representatives may serve, and to provide a maximum age for persons serving as President, Vice President, Senator, or Representative; to the Committee on the Judiciary.

By Mr. MATTOX (for himself, Mr. FROST, Mr. GRAMM, Mr. LEATH of Texas, Mr. HUBBARD, Mr. WALKER, Mr. ROBERT W. DANIEL, Jr., Mr. McDONALD, Mr. GOLDWATER, Mr. LAGOMARSINO, Mr. YOUNG of Alaska, Mr. LOTT, Mr. KRAMER, Mr. KINDNESS, Mr. LELAND, and Mr. NICHOLS):

H. Con. Res. 41. Concurrent resolution expressing the sense of the Congress that the United States should recognize the Republic of China as the sovereign Government of Taiwan and the other areas under its control and should establish full diplomatic relations with the Republic of China; to the Committee on International Relations.

By Mr. COTTER:

H. Res. 90. Resolution requesting the President not to propose to the Congress the exemption of motor gasoline from petroleum price control regulations; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of California (for himself and Mr. HARSHA):

H. Res. 91. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Public Works and Transportation; to the Committee on House Administration.

By Mr. PERKINS (for himself and Mr. ASHBROOK):

H. Res. 92. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Education and Labor; to the Committee on House Administration.

By Mr. RAHALL:

H. Res. 93. Resolution disapproving the final recommendations for the basic route system of Amtrak submitted by the Secretary of Transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. SATTERFIELD:

H. Res. 94. Resolution requesting that the Secretary of Defense should rescind

that portion of the Department of Defense directive which permits deserters from military service to receive in absentia discharges; to the Committee on Armed Services.

By Mrs. SPELLMAN:

H. Res. 95. Resolution establishing an ad hoc Committee on Federal Retirement Systems; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HUGHES:

H.R. 1827. A bill for the relief of Emiko Okuma Colona; to the Committee on the Judiciary.

By Mr. REUSS:

H.R. 1828. A bill for the relief of Margaret Dolinger Baloun; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 1829. A bill for the relief of Loraine Smart and Robert Clarke; to the Committee on the Judiciary.

By Mr. RODINO (by request):

H.R. 1830. A bill for the relief of Lucia Jurkauskas; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 1831. A bill for the relief of James D. Belknap; to the Committee on the Judiciary.

H.R. 1832. A bill for the relief of Mrs. Adeline O. Smith; to the Committee on the Judiciary.

By Mr. WYATT:

H.R. 1833. A bill for the relief of Henry J. Lopez-Roman, M.D.; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 30: Mr. SYMMS, Mr. DORNAN, Mr. COLLINS of Texas, and Mr. GOODLING.

H.R. 90: Mr. ABDNOR, Mr. ADDABBO, Mr. AKAKA, Mr. ANDERSON of Illinois, Mr. ANDREWS of North Dakota, Mr. BAFALIS, Mr. BEVILL, Mr. BOLAND, Mrs. BOUQUARD, Mr. BRODHEAD, Mr. BURGNER, Mr. CAVANAUGH, Mr. CLAUSEN, Mr. CORMAN, Mr. DE LA GARZA, Mr. DUNCAN of Tennessee, Mr. EDGAR, Mr. ETEL, Mr. EVANS of Georgia, Mr. FINDLEY, Mr. FORSYTHE, Mr. FRENZEL, Mr. FROST, Mr. FUQUA, Mr. GINN, Mr. GONZALEZ, Mr. GOODLING, Mr. GRISHAM, Mr. HAGEDORN, Mr. HALL of Texas, Mr. HOLLENBECK, Mr. HUGHES, Mr. ICHORD, Mr. JOHNSON of California, Mr. JONES of Oklahoma, Mr. KINDNESS, Mr. LAFALCE, Mr. LEACH of Louisiana, Mr. LEDERER, Mr. LEE, Mr. LONG of Maryland, Mr. LOTT, Mr. LUKE, Mr. MCKAY, Mr. MARKEY, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MURPHY of Pennsylvania, Mr. NATCHER, Mr. NICHOLS, Mr. OTTINGER, Mr. PEPPER, Mr. PERKINS, Mr. PRICE, Mr. PRITCHARD, Mr. RAHALL, Mr. REUSS, Mr. ROBERTS, Mr. RUSSO, Mr. ST GERMAIN, Mr. SEBELIUS, Mr. SENSENBRENNER, Mr. SIMON, Mr. SLACK, Mr. STAGGERS, Mr. STANGELAND, Mr. STEED, Mr. THOMAS, Mr. WHITEHURST, Mr. WILLIAMS of Montana, Mr. CHARLES H. WILSON of California, Mr. WINN, Mr. WON PAT, Mr. YOUNG of Missouri, Mr. ZEFERETTI, Mr. FORD of Tennessee, Mr. RICHMOND, Mr. NOLAN, Mr. HANLEY, Mr. YATRON, Mr. BALDUS, and Mr. MITCHELL of New York.

H.R. 596: Mr. ABDNOR, Mr. BLANCHARD, Mr. BONIOR of Michigan, Mr. BUCHANAN, Mr.

CHENEY, Mr. DE LA GARZA, Mr. EMERY, Mr. ETEL, Mr. EVANS of Delaware, Mr. FLIPPO, Mr. FOWLER, Mr. FUQUA, Mr. GEPHARDT, Mr. GLICKMAN, Mr. GOODLING, Mr. HARKIN, Mr. JENNETTE, Mr. JONES of North Carolina, Mr. KRAMER, Mr. MCEWEN, Mr. MAVROULES, Mr. MURPHY of Pennsylvania, Mr. SEBELIUS, Mr. SHUSTER, Mr. SYMMS, Mr. VOLKMER, Mr. YOUNG of Missouri, Mr. MITCHELL of Maryland, and Mr. MURPHY of Illinois.

H.R. 1071: Mr. ROSENTHAL, Mr. MITCHELL of Maryland, Mr. MARLENEE, Mr. DASCHLE, Mr. WEISS, Mr. HUGHES, Mr. WOLFE, Mr. HUCKABY, Mr. RUNNELS, Mr. MIKULSKI, Mr. BONKER, Mr. ALBOSTA, Mr. MARIOTT, Mr. HINSON, Mr. WILLIAMS of Montana, Mr. VAN DEERLIN, and Mr. GOODLING.

H.R. 1141: Mr. MURPHY of Pennsylvania, Mr. BENJAMIN, Mr. LEDERER, Mr. NEAL, Mr. DERWINSKI, Mr. HUGHES, Mr. EVANS of Georgia, Mr. KINDNESS, Mr. BAFALIS, Mr. LEE, Mr. LOTT, Mr. DUNCAN of Tennessee, Mr. LUKE, Mr. ETEL, Mr. CONTE, Mr. EDGAR, Mr. CLINGER, Mr. SYMMS, Mr. WALKER, and Mr. GOODLING.

H.R. 1439: Mr. WINN, Mr. WHITEHURST, Mr. MURPHY of Pennsylvania, Mr. AKAKA, Mr. LUKE, Mr. YOUNG of Missouri, Mr. FLOOD, and Mr. STUDDS.

H.R. 1481: Mr. VENTO, Mr. CONTE, Mr. BONIOR of Michigan, and Mr. DRINAN.

H.R. 1500: Mr. YOUNG of Florida, Mr. GEPHARDT, and Mr. GRADISON.

H.R. 1605: Mr. DORNAN, Mr. MURPHY of Pennsylvania, Mr. CORRADA, Mr. LAGOMARSINO, Mr. LEHMAN, Mr. BEVILL, Mr. BEDELL, Mr. STANGELAND, and Mr. MITCHELL of Maryland.

H.R. 1643: Mr. GOLDWATER, Mr. PANETTA, Mr. YOUNG of Alaska, Mr. GEPHARDT, Mr. EVANS of Georgia, Mr. COELHO, Mr. LAFALCE, Mr. DORNAN, and Mr. BONKER.

SENATE—Thursday, February 1, 1979

(Legislative day of Monday, January 15, 1979)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by Hon. PAUL E. TSONGAS, a Senator from the State of Massachusetts.

PRAYER

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

Our Father, God, Thou art our refuge and our strength. Our deepest needs and our hidden longings drive us to the altar of prayer. Mid the busy pace of hurried and harried lives we pause in this hushed moment to declare that we lean on Thee, trust Thee, and hope in Thee.

Lift our view to distant horizons that we may be given a glimpse of the better world that is yet to come. Raise our sight above all that is base or ugly that there may come to us vistas of splendor and windows of insight that the inner eyes of the soul may see what must be done. May we be reborn in spirit, mind, and heart "to serve the present age, our calling to fulfill". Breathe through the things that are seen, the peace of the unseen, and eternal.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the

Senate from the President pro tempore (Mr. MAGNUSON).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 1, 1979.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAUL E. TSONGAS, a Senator from the State of Massachusetts, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. TSONGAS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

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

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 3 minutes.

SENATE RESOLUTION 9—PROPOSED AMENDMENT OF THE STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I am hopeful that the Senate can enter into a time agreement on the proposed rules changes.

I have been discussing the substance of rules changes with the distinguished acting Republican leader, Mr. STEVENS, who chairs the ad hoc committee that was appointed on the other side of the aisle for that purpose. I think that progress has been made, discussions have been going on and sincere and dedicated efforts have been put forth on both sides of the aisle to be able to present some recommendations to the Senate as a working piece.

I talked with the distinguished minority leader on yesterday, Mr. BAKER, with respect to a possible time agreement during which the Senate could debate the matter and reach a conclusion. I discussed this possibility just briefly now with the distinguished acting Republican leader. I am hopeful that before the day is over a time agreement can be worked out.

For the moment, I simply ask unanimous consent that, barring that kind of unanimous-consent request, no other unanimous-consent request or motion or action relating to, affecting, or being prejudicial to Senate Resolution 9 or the pending motion of mine thereto be in order during the remainder of this day.

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

Mr. ROBERT C. BYRD. Mr. President, do I have time remaining in my 3 minutes?

The ACTING PRESIDENT pro tempore. Yes.

AMBASSADOR MIKE MANSFIELD

Mr. ROBERT C. BYRD. Mr. President, our former colleague and my predecessor as majority leader of the Senate, Mike Mansfield, is currently serving as U.S. Ambassador to Japan.

This is one of the most significant positions in our diplomatic service. U.S. relations with Japan are a matter of prime importance, particularly in the area of trade and economic affairs.

Not surprisingly, Mike Mansfield is receiving very high marks for his work in this key post. A recent Associated Press article by John Roderick noted that many Japanese describe him as the best—the best—U.S. Ambassador ever sent to Japan.

That is not unexpected among his colleagues, but I am glad that he is receiving that kind of recognition.

Also, Mr. President, many knowledgeable Americans speak very highly of Ambassador Mansfield's efforts.

Mr. President, I ask unanimous consent to have the article entitled "Mansfield a Big Hit in Japan," which appeared in the Sunday, January 28, 1979, edition of the Austin American-Statesman, printed in the RECORD.

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

MANSFIELD A BIG HIT IN JAPAN

(By John Roderick)

TOKYO.—Mike Mansfield is as plain and American as apple pie, a man with no pretensions. Many Japanese describe him as the best U.S. ambassador ever sent to Japan.

When he meets you in his embassy office he brews you a cup of coffee. After you are gone he washes the cups and saucers himself.

Copies of a Montana weekly, The Hungry Horse News, are on the coffee table. Statues and paintings of the wild West give the room a distinctly western American touch.

Eighteen months after taking over America's biggest embassy—it has 800 staffers—the former Senate majority leader, now 76, is enjoying himself hugely and has no thought of stepping down until President Jimmy Carter asks him to.

He has brought an almost undiplomatic style of candor to his assignment. Unlike previous ambassadors, he speaks only for the record. And he says frankly what he thinks, even if it doesn't always coincide with the truth disclosed from Washington.

"I figure Jimmy Carter didn't send me out here to be a yes man," Mansfield says laconically.

What the Japanese like about him is his "elder statesman" age, his openness, his long-time political stature and his direct links to President Carter.

"My relations with Carter couldn't be better," Mansfield says. "He has been most receptive to my suggestions and proposals."

Almost as important as being liked by the Japanese is to have the affection and confi-

dence of the Americans, many of them career officers, of his staff.

One of them said: "I don't know of anyone in the embassy who doesn't like him. There's not an ounce of pretension in that man."

"I think he is the most effective ambassador we have had in Japan," said another. "He is not by nature a warm, friendly person. He is withdrawn, shy and sees himself as doing his duty. He is humble."

Mansfield's petite, white-haired wife Maureen is a major asset.

"Everybody likes her," an embassy staffer says. "She is much more realistic than he is. Don't forget, she ran most of his campaigns for the Senate."

Used to the excitement of Washington, Mrs. Mansfield found retirement something of a bore, he said. Mansfield accepted the ambassadorship partly because of her.

He confessed he hasn't found much time to pick up Japanese but "I've dug up a few words like o-hio, arigato and sayonara"—good morning, thanks and good-bye.

Asked to identify the three major problems between the United States and Japan, he replied: "Trade, trade, trade."

U.S.-Japanese trade is at once the cement and the sand in the relationship. Topping \$31 billion both ways, it is a historic phenomenon. But, after decades of being on the short end of the stick, the Japanese have in recent years come out billions of dollars ahead. That disgruntles American government and business.

Thanks to pressure all around, much of it from the embassy, Japan has tried to at least even the scales, but a sagging dollar has meant that though the volume of Japanese exports has dropped, the value has increased.

His embassy's accomplishments, he says, include:

Drastically reduced exports of Japanese color TV sets;

Fewer complaints of Japanese steel flooding the U.S. market;

What could have been the most serious issue: U.S. objections to the Tokai Mura nuclear reprocessing plant, capable of producing nuclear weapons material. The issue was defused through negotiations which will permit peaceful uses of nuclear energy.

ORDER OF BUSINESS

Mr. STEVENS addressed the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from California is recognized for not to exceed 15 minutes.

Mr. CRANSTON. Mr. President, I am glad to yield to my good friend from Alaska.

Mr. STEVENS. That is all right. I will make the statement later. I thought we had time under the agreement. I am sorry.

I thank the Senator very much.

Mr. ROBERT C. BYRD and Mr. CRANSTON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I have a 15-minute order later for myself. If the distinguished Senator from California will allow me, I ask unanimous consent that I may yield to the distinguished Republican whip such time as he may desire from my 15 minutes.

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

Mr. STEVENS. Mr. President, I thank the distinguished majority leader, and I

apologize to my good friend. I did not mean to cause a problem.

Mr. CRANSTON. That is quite all right.

ENERGY

Mr. STEVENS. Mr. President, I am astounded at statements which have appeared in the news recently relating to America's energy supply system. With the loss of oil and gas shipments from Iran to the United States and the rest of the Western World, we are now being told by representatives of the administration that it is not in our national interest to obtain information about potential reserves on Federal lands.

Just yesterday, Secretary of Interior Cecil Andrus testified before the House Interior Committee that a program to gather information on the National Strategic Petroleum Reserve should be terminated. To quote the Secretary he stated:

My personal recommendation is that we put it (the information gathering program) on the shelf and wait to see if it is needed.

I am forced to ask how can he possibly be talking about the situation in the United States? We have just lost, possibly forever, the second largest supplier of oil to the Western World. Secretary of Energy Schlesinger has stated that we will have to stop selling gasoline on Sundays in the United States because we do not have enough future supplies to continue selling gasoline on weekends, yet the Secretary of the Interior states that there is no need for information at this time concerning the Nation's petroleum reserves.

It appears that the Secretary of the Interior either does not understand the situation or that the only person downtown in the administration who understands at all what is going on is the Secretary of Energy.

We have also been told in a recent report that Alaska gas, which represents 10 percent of the known supply of natural gas in the United States, is now considered not worth producing. We are told we should instead substitute gas brought to our shores from a foreign source. No matter how reliable that source may be, it must be remembered that depending upon foreign sources for energy is a grave mistake. Nothing brings this fact home more than the situation with which we are faced today.

A year ago at this time, nobody worried about Iran's stability as a supplier of energy to the West. I feel that in light of these developments, that it is imperative that we do all we can to insure that our Nation's energy sources are located, thoroughly evaluated and to the maximum extent possible in keeping with sound environmental policies, developed.

It is impossible for me to understand how the Nation can sacrifice the reserves that exist in my State of Alaska. We are only talking about evaluating possible oil and gas reserves in the National Petroleum Reserve and possible oil and gas re-

serves that we believe exist beneath the Arctic wildlife range.

What we are dealing with is a country which is now forced to depend heavily upon foreign imports for energy.

The Northeastern States, for instance, must import well over 50 percent of their oil and gas from places such as Venezuela, Algeria, and Canada. The country as a whole imported on the order of 3 billion barrels of oil last year at a cost of more than \$42 billion, and I think it is high time we ask the administration why they feel they can afford—how the Nation can afford—to put off exploration for energy supplies on the Federal lands in our Nation. Over half of those lands are in Alaska. It is estimated that more than 50 million acres of that land currently withdrawn by the administration contains geology favorable to oil exploration. I tell the Senators that, in my opinion, we cannot afford to so casually ignore the wealth of energy resources in Alaska.

Mr. President, I ask unanimous consent that the articles concerning Secretary Schlesinger's statement and Secretary Andrus' statement be placed in the RECORD.

I thank the majority leader.

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

[From the Washington Post]

SCHLESINGER SAYS IRAN CUTOFF COULD FORCE FUEL CURBS

(By J. P. Smith)

Energy Secretary James R. Schlesinger said yesterday the Carter administration may ban Sunday gasoline sales and force other mandatory conservation measures if Iran does not begin exporting oil by April 1.

While comparing the Iranian oil shutdown with the 1973 Arab oil embargo, Schlesinger cautioned that mandatory cutbacks in oil supplies would not be necessary if the public responds to conservation appeals.

So far, Schlesinger told reporters yesterday, "The position of the U.S. has not been dramatically affected" by Iran's virtual cutoff of oil exports.

Schlesinger said the drop in Iranian oil sales "is just beginning to bind now," and that some domestic refiners will begin to face shortages of crude oil. The administration will determine by April 1 whether to impose mandatory conservation measures.

Energy Department planners are weighing various conservation measures that could be submitted to Congress for approval, including: banning Sunday gasoline sales, which might save 150,000 to 300,000 barrels of oil a day; imposing restrictions on commuter parking which could save 100,000 to 175,000 barrels of oil a day, and imposing emergency heating and cooling restrictions on temperatures, which could save 200,000 to 350,000 barrels of oil a day. These actions, department officials stress, are still in the planning stage, with the estimated oil savings representing "an illustrative range."

Together, they would save less than 10 percent of total U.S. daily oil imports.

Schlesinger described rationing as much more of "an ideological issue" and said it probably would not be needed to manage an oil shortage.

Much of the oil production from Iran, once the world's second leading oil exporter, has

been made up by other oil producers, most notably Saudi Arabia. Iran was producing up to 6.5 million barrels a day before the political upheaval that forced the shah from power. Schlesinger has continued to say that as a result, world supplies are short about 2 million barrels a day.

The United States is less dependent on Iranian oil than most other industrial countries, such as Japan.

Schlesinger and State Department officials said yesterday that members of the 19-nation International Energy Agency, based in Paris, have yet to call for triggering of a plan to force the United States to share its oil supplies with the other industrial countries.

Under an IEA agreement negotiated after the Arab oil embargo, member countries can trigger the sharing agreement when their supplies are 7 percent less than normal consumption.

Under the 1975 Sinal accords, the United States guaranteed Israel's oil supply in the event of an emergency. Until the cutback, Iran provided Israel with 70 percent of its oil.

Schlesinger said that there have been discussions with senior Israeli officials in recent weeks over how the United States would fulfill that agreement. Israel has not asked for U.S. supplies, but Schlesinger said the Israelis should expect 60 to 90 days' lead time. "One of the best systems would be to allow exports from the North Slope" of Alaska, the secretary said. This would require congressional approval.

Middle East Economic Survey, an authoritative trade journal, reported this week that Saudi Arabia would limit its production during the first quarter of this year to 9.5 million barrels a day—down from nearly 10.5 million barrels now.

This report, which has been confirmed by informed sources, originated at a Jan. 15 meeting that Saudi Oil Minister Zaki Yamani had with the members of the Arabian American Oil Co.—Texaco, Exxon, Mobil and Standard Oil of California. The same information, sources say, has been transmitted from the U.S. embassy in Jiddah to Washington.

Asked about whether the critical Saudi production level had been unequivocally limited to 9.5 million barrels a day for the first quarter, Schlesinger said yesterday, "I think not. There is some question whether that will be the case."

The Aramco companies have all declined to comment publicly.

In some industry circles there has been speculation that the Saudis' announcement could be tied to dissatisfaction over U.S. handling of the Middle East peace talks, as well as an effort to respond to conservation pressures within the kingdom. This is denied by administration officials.

"It is a most delicate issue," said one senior administration official, corroborating Schlesinger's comments, and at the same time confirming that the U.S. embassy had reported the 9.5-million-barrel ceiling to the State Department.

The official said that the United States is awaiting further confirmation from the Saudis, adding that it is still possible they would go above 9.5 million barrels of oil during the first quarter.

Administration officials privately express concern over the impact a cut in Saudi production could have on exchange rates and oil prices, and say they expect the Saudis to clarify their position soon.

On other questions, Schlesinger said: DOE is prepared to allocate oil supplies, and is circulating regulations to allow oil

industry companies to update their positions under DOE regulations to reflect changes in the market since 1973.

Gasoline prices are likely to go up 12.2 cents in the next two years.

The Central Intelligence Agency knew Mexico had 140 billion barrels of estimated recoverable oil before the Carter administration unveiled its energy plan in 1977, but he thought that Mexico would probably adopt a moderate oil development plan.

There is uncertainty about the size of China's oil reserves, but it is likely they could have 50 billion barrels onshore and 50 billion barrels offshore.

ANDRUS REQUESTS RESERVES SHELVED

(By Betty Mills)

WASHINGTON.—Interior Secretary Cecil D. Andrus told the House Interior Committee today he strongly favors the termination of drilling in the 23-million acre National Petroleum Reserve Alaska.

"My personal recommendation is that we put it on the shelf and wait to see if it is needed," Andrus said in his first Capitol Hill appearance of the new Congress.

The department has proposed a termination of the drilling program in the reserve, known as Pet 4, in fiscal 1980, slashing funding by more than \$200 million.

"If in 1979 we find an incentive to continue, we will come back and ask for more money," Andrus said. "Those wells are expensive, take two years to complete, and we have a transportation problem up there."

Andrus did not rule out the possibility of private exploration in the huge North Slope reserve once the government drilling is completed.

Andrus presented the committee with a broad outline of his department's goals in the new Congress and endured three hours of questioning by members.

He referred to enactment of an Alaska D2 land bill as the department's first priority. Andrus will return to the Interior Committee Thursday as the panel kicks off its hearings on the D2 issue.

The decision to conclude the government's exploratory drilling in Pet 4 was criticized by Rep. Don Young, R-Alaska, and Rep. Steve Symms, R-Idaho.

Young appealed to Andrus to release the data compiled by Husky Oil Co., the private contractor that has conducted the drilling.

"This committee has the decision to make about whether to go forward in Pet 4. I want to see recommendations from the geologists," Young said.

Young, who will serve as the ranking member, on the mines and mining subcommittee, said he intends to hire a geologist to advise him on the Pet 4 issue.

Andrus said complete reports on the Pet 4 drilling program will be submitted to Congress later this year.

Symms said, "This points out the weakness of a government exploration program. It concerns me to say we don't need it when we really don't know what's there."

On other topics, Andrus said the federal government has issued all the necessary permits for the construction of the Sohio pipeline to bring excess Alaska oil from Long Beach, Calif., to Midland, Texas.

"That project is being held up by actions of the state of California. All the federal permits have been issued," Andrus said.

He said the department will issue an environmental impact statement in May on the proposal for a Northern Tier pipeline to transport Alaska oil to the Midwest.

Andrus said proposals to export Alaska oil are being considered by the administration, but he said he is not involved in that issue.

"That is the responsibility of the Department of Energy. I cannot say whether there is a high probability or a low probability (that oil will be exported)," he said.

Andrus was questioned closely about the planned reorganization of the Interior Department, which is being considered by the White House.

Andrus said he supports the proposal to consolidate the U.S. Forest Service with the Interior Department into a new Department of Natural Resources. The proposal has been strongly criticized by the chairman of the House and Senate agriculture committees. The Forest Service now is under the Agriculture Department.

"I think this would be an improvement, bringing all the people who manage federal lands into one agency," Andrus said.

He said a decision is due from the White House on the reorganization plan next month.

"I don't think anyone is picking on the Forest Service. This is intended to end the duplication of efforts. The Forest Service is professionally run, but in my personal opinion, perhaps the Forest Service could be more productive in the management of federal lands," he added.

ORDER TRANSFERRING ALLOTTED TIME

Mr. ROBERT C. BYRD. Mr. President, I was not aware that I had been allotted time. I ask unanimous consent that the orders allotted to Mr. BENTSEN and Mr. CHILES be transferred to me today.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I want to yield to the distinguished majority whip such time out of the 30 minutes that I now have as he may need.

Mr. CRANSTON. I thank the Senator very much.

(The remarks of Mr. CRANSTON and other Senators who participated in the colloquy in connection with the introduction of a joint resolution are printed under statements on introduced bills and joint resolutions.)

RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. KENNEDY. Mr. President, the Committee on the Judiciary, at a meeting held on January 30, 1979, adopted the procedural rules for the committee. In accordance with the requirement to publish the rules of each Senate committee in the CONGRESSIONAL RECORD not later than March 1 of each year, I ask unanimous consent that the rules be printed in the RECORD.

There being no objection, the committee rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON THE JUDICIARY

I. Meetings of the Committee:

1. Meetings may be called by the Chairman as he may deem necessary on three days notice or in the alternative with the consent of the Ranking Minority Member or pursuant to the provision of Sec. 133(a) of the Legislative Reorganization Act of 1946, as amended.

2. Each witness who is to appear before the Committee or any subcommittee shall file with the Committee, at least 48 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or subcommittee prescribes.

3. On the request of any member, a nomination or bill on the agenda of the Committee will be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. Quorums:

1. Nine members shall constitute a quorum of the Committee when reporting a bill or nomination; provided that proxies shall not be counted in making a quorum.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. Proxies:

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

IV. Bringing a Matter to a Vote:

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bringing the matter to a vote without further debate, a rollcall vote of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the Minority.

V. Subcommittees:

1. Any member of the Committee may sit with any subcommittee during its hearings or any other meeting, but shall not have the authority to vote on any matter before the subcommittee unless he is a member of such subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the subcommittee chairmanship, and seniority on the particular subcommittee shall not necessarily apply.

3. Except for matters retained at the full Committee, matters shall be referred to the appropriate subcommittee or subcommittees by the Chairman, except as agreed by a majority vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

ORDER OF PROCEDURE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may proceed without consideration against those whose time precedes mine. I have discussed this with the majority leader, and he suggested that I do this, so that if other Senators are not now on the floor and want to take their time, they can take it.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

STATISTICAL GAMES WITH THE DEFENSE BUDGET

Mr. PROXMIRE. Mr. President, the administration has played statistical games with the defense budget to under-

state its real growth and misrepresent its contribution to NATO.

The most obvious manipulation has been the attempt to understate the percentage of real growth in this year's budget. The budget documents indicate that overall the defense budget will go up by 3 percent in real terms in outlays and 1.7 percent in budget authority.

That figure is phony. The 3-percent figure was reached by comparing the fiscal year 1980 budget with the fiscal year 1979 budget after adding in a \$4.4 billion supplement appropriations bill. The supplement bill was sent to the Congress along with the fiscal year 1980 request. It has not passed.

Furthermore it is not likely to pass in its entirety. The Congress has expected and counted on \$1.8 billion for pay increases. Much of the remaining \$2.2 billion was rejected last year during the aircraft carrier veto debate. If passed, the \$2.2 billion would break the fiscal year 1979 congressional budget outlay ceiling of \$112.4 billion.

So that is another reason why it is unlikely to pass. No. 1, it is rejected, and No. 2, it would break the ceiling and, therefore, we would not do so. But that has given the Department of Defense and the administration a higher base than they should have, so that the 3-percent growth figure compares an unrealistically high fiscal year 1979 budget with the current year. If the fiscal year 1979 budget is considered to include the \$1.8 billion pay increase (rather than the entire \$4.4 billion supplemental), then the real growth in this budget is 4.4 percent not 3 percent.

Even if the 3-percent figure were fixed and real, it would not mean that our NATO contribution would be increased by 3 percent. To the contrary, since the 3 percent applies to the entire defense budget, many non-NATO related items are included.

Consider that retired military pay outlays increase \$1.1 billion. Thus the 3-percent growth goal includes a retired pay increase component totally unrelated to any real military capability in NATO or otherwise. Similarly the increase in military pay, figured as part of the 3-percent contribution, has no specific application to NATO defenses except in the most ephemeral sense.

If the Defense Department were serious about increasing our NATO force structure and preparedness, it would have targeted any real increases to specific NATO related expenditures. Counting retired military pay as NATO contribution really makes no sense.

Targeting the 3-percent increase just to the broad categories of research and development, procurement and military construction (leaving aside manpower, retired pay, and operation and maintenance) would permit a \$2.2 billion savings in the fiscal year 1980 budget without in anyway diminishing our NATO 3-percent pledge.

I will press for this reduction and more in the fiscal year 1980 budget.

HEARINGS ON EXPORT CONTROL POLICY

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing, and Urban Affairs will hold hearings on U.S. export control policy and proposals to extend and revise the Export Administration Act Monday, March 5, and Tuesday, March 6, for the purpose of receiving testimony from Government witnesses. The Subcommittee on International Finance, chaired by the able junior Senator from Illinois, Senator STEVENSON, will hold hearings on the same subjects on Monday, March 12, and Tuesday, March 13, to receive testimony from private witnesses.

The Export Administration Act, which is our Nation's basic export control statute, will expire on September 30 unless renewed. Authorization of the Commerce Department's expenses for administering the act in fiscal year 1980 is also required; thus, the Budget Act requires the Banking Committee to make every effort to report this essential legislation prior to May 15.

Among the issues to be addressed in the hearings on March 5, 6, 12, and 13 are the following:

What controls should be applied to the transfer of U.S. technology abroad? Should technology transfer be limited when it appears likely to increase imports to the United States or enhance the competitive position of foreign producers relative to American producers in world markets? Should controls on technology transfer for strategic purposes be confined to militarily "critical technologies," as suggested by the Department of Defense? Did the Dresser case involve the export of goods or technology which would make a significant contribution to the military potential of the Soviet Union?

What controls should be applied to the sale to foreign countries of equipment and technology for use in energy exploration and production? In particular, why are controls currently applied to such sales to the U.S.S.R., but not to the People's Republic of China and other countries?

How are export controls being used to "further significantly the foreign policy of the United States and to fulfill its international responsibilities"? In particular, what role should export controls play in promoting observance of human rights in foreign countries? Should trade be banned with countries with records of gross violations of human rights? Should exports be permitted to the People's Republic of China which are denied to the U.S.S.R.?

Should exports of commercial goods and technology which can readily be converted to military use be controlled in the same manner and degree as weapons?

What contribution have exports of U.S. goods and technology made to Soviet military capability and to that of other Communist states during the past 30 years?

What controls exist on the export of banned or hazardous materials, goods, and substances?

What effect have the antiboycott provisions of the Export Administration Act and the Tax Reform Act of 1976 had on boycott practices and on U.S. trade and foreign relations? What antiboycott policies are being followed by other countries?

How do the export control policies and practices of our COCOM allies differ from our own? How can greater uniformity be achieved? Should the "short supply" provisions of the act be changed?

Should controls on the export of Alaskan oil be lifted?

What steps have been taken to implement President Carter's directive of September 26, 1978, to "take export consequences fully into account when considering the use of export controls for foreign policy purposes"? How is "foreign availability" of comparable goods and technology assessed? Who makes such assessments? What weight is given to foreign availability in export licensing decisions?

How can the processing of export license applications be expedited? What agencies should be involved in reviewing export licenses, with what responsibilities? Should interagency review be limited by time deadlines which force decisions on applications or review at higher levels? What changes in export control policy or the administration of export controls have been made pursuant to Presidential Review Memorandum 31?

Witnesses scheduled to appear at the hearings on March 5 and 6 include Secretary of Commerce Juanita M. Kreps, Secretary of State Cyrus R. Vance, Under Secretary of Defense William Perry, Comptroller General Elmer B. Staats, and representatives from the Departments of Energy and Treasury. Hearings will be held at 10 a.m. and 3 p.m. on Monday, March 5, and 10 a.m. and 2 p.m. on Tuesday, March 6. All hearings will be held in room 5302 of the Dirksen Senate Office Building.

Persons interested in submitting testimony at the hearings on March 12 or 13 or desiring additional information may contact Robert W. Russell, counsel to the Subcommittee on International Finance, at (202) 224-0819.

JANUARY GOLDEN FLEECE RUNNERUP AWARD GOES TO NATIONAL ENDOWMENT FOR THE ARTS

Mr. PROXMIRE. Mr. President, the "runnerup" January Golden Fleece of the Month Award went to the National Endowment for the Arts for supporting a "Hanauma Bay (Hawaii)-Colored Headcovers Happening," which involved 400 people being filmed from a rented helicopter as they walked along an Oahu beach wearing shiny paper party hats color coded to the wearer's sex and race. Because of the relatively small amount of Federal funds involved, this project

lost out in the competition for the January Fleece of the Month, which went to a \$140,000 Department of Labor grant to Orange County, Calif., to pay for a yet uncompleted census of the Samoan population living there.

The Hawaiian State Foundation on Culture and the Arts, as part of a \$20 million NEA Federal-State matching funds program, spent \$1,000 on this work of "contemporary environmental conceptual art." The happening was dreamed up by a group of art students and professors at the University of Hawaii. One professor explained the project:

Contemporary art, and this is contemporary art, is conceptual. Meanings are layered, referring to things and ideas that are not there.

HANAUMA BAY-COLORED HEADCOVERS HAPPENING

The "Hanauma Bay-Colored Headcovers Happening" happened last December. While the artists sent out more than 2,000 invitations and hoped to hat attire at least 1,500 beachcombers, only 400 people turned out to wear the shiny paper party hats. Those who did found themselves holding hands and strolling along the beach and in the surf as their ambulatory art experiment was being preserved for posterity from a helicopter hovering overhead.

The distribution of hats was supposed to be based strictly on the sex and race of the wearer. For example, blue hats were handed out to Caucasian males while Caucasian females got green ones. Oriental males were assigned purple hats, and the distaff members of the oriental race were given red ones. According to the grant application, the reason for this ethnic and sexual designation was to allow for "post project analysis of racial integration." Unfortunately, the sociological aspect of this contemporary environmental conceptual art happening was confounded by the voluntary exchange of hats among the sexes and races.

In addition, one of the artists has already envisioned a followup project with—

Five thousand people in orange day-glo shirts simulating an eruption in Diamond Head. See we'll start with everybody inside the crater, then we'll have some people from hiking clubs climbing up the inside and spilling down the outside like hot lava.

When asked about the colorful but dubious happening, a National Endowment for the Arts spokesman pointed out that this type of minigrant does not legally require prior approval by Washington. As the National Endowment for the Arts conveniently interprets its legislation, only the individual State art councils can determine how the 20 percent of the endowment funds which go directly to the State shall be spent.

SUPPORT FREE EXPRESSION

While I strongly support free expression by creative artists and believe that the Hanauma Happening artists sincerely believe in the importance of their

work, I see no reason why the Federal Government should spend hard-pressed taxpayers' money to support such activities. If the artists want to do it, let them pay for it themselves or with private contributions.

While the amount of money involved in this project is relatively small and, therefore, worthy of only a runnerup Fleece Award, a significant portion of Federal funds is spent without any Federal oversight. This mindless method of spending is exactly why there is so much waste and so little accountability in Government spending.

THE GENOCIDE CONVENTION: AN INEXPENSIVE BOOST TO OUR MORALE

Mr. PROXMIRE. Mr. President, now that President Carter has submitted his budget to Congress we see that billions of dollars will be spent in 1979 in maintaining the strongest military force in the world, that of the United States.

But the question is, "What can we do to strengthen our position in the world, that does not require spending billions of dollars?" I believe that a strong military is essential to a strong nation, but I also believe that a nation should be morally strong.

There is one step that we can take right now.

I am referring specifically to ratification of the Genocide Convention.

For 30 years, Mr. President, the U.S. Senate has not been able to ratify this essential human rights treaty. Consider that for a moment. A treaty—that was designed to protect the right to live—has been ignored for 30 years.

Now, why?

Is that not what we are spending billions of dollars a year to insure—the right to live?

How can we justify on the one hand spending billions of dollars each year on military protection, and on the other, ignore a treaty that would provide one small step toward improving the basic protections for existence?

The lack of consistency is appalling. But the situation has persisted for the last 30 years. It is time to become consistent. We cannot endorse military security and refute national morality.

ORDER TO VITIATE REMAINING SPECIAL ORDERS FOR TODAY

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, what other special orders are pending?

The ACTING PRESIDENT pro tempore. The special orders for the Senator from New Jersey, the Senator from Texas, the Senator from Tennessee, and the Senator from California.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all

of the remaining special orders be vitiated.

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

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak for not to exceed 15 minutes therein.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business last until not later than 5 p.m. today.

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

THOMAS J. MCINTYRE

Mr. ROBERT C. BYRD. Mr. President, Thomas J. McIntyre was elected to the Senate in 1963—the first New Hampshire Democrat in 30 years to attain a Senate seat. During his 16 years of service, Senator McIntyre accomplished much that will benefit New Hampshire and the Nation for years to come. His presence in this Chamber is sorely missed and will continue to be sorely missed, but he will be remembered in many ways: for his personal integrity, his sense of fair play and justice, and his ability to work effectively with Senators from both sides of the aisle.

As a member of the Senate Armed Services Committee, Senator McIntyre stood out as a skillful legislator in the area of national defense. His reputation as a knowledgeable spokesman on the subject of military research and development is widely known and respected. He spent many, many hours reviewing thousands of research and development programs in his careful and thorough fashion, working closely with the committee chairman, Senator STENNIS, and other members of the committee to reach agreement on the issues. On numerous occasions, it was his recommendation which provided the common denominator for reaching an agreement. And on the Senate floor, Mr. McIntyre was often relied upon by Democrats and Republicans to clarify an issue or to help achieve a consensus among his colleagues.

Senator McIntyre's Senate career is filled with accomplishments that speak for the consumer—in New Hampshire and the Nation. As a member of the Small Business Committee, he was instrumental in the creation of the Commission on Federal Paperwork. As the Commission's cochairman, he worked toward reducing the time-consuming and often frustrating burden on the private sector of Government redtape and excessive paperwork.

He also spent considerable effort reforming the banking system—again, for the benefit of consumers. As a member of the Banking Committee, one of his most notable achievements was the NOW account—a new checking/savings innovation for banking customers.

In other areas as well, he was an accomplished legislator. Senator McIntyre is widely recognized for his knowledge of and interest in alternative energy sources. He has long been a leading advocate for the development of solar and other forms of alternative energy sources. He was the chief Senate sponsor of the Small Business Energy Loan Act, which will provide loans or loan guarantees to small businesses to assist them in developing renewable energy products and services, such as solar energy equipment.

In the area of health, Mr. McIntyre proposed his own program for national health insurance. His efforts in this field clearly demonstrate his commitment to the concept of providing basic health care to all Americans at reasonable cost. Some of his initiatives for improving health care services and upgrading the health care industry were adopted.

Trade issues also received close scrutiny by Senator McIntyre. He was concerned with the threat of import competition to American jobs and argued that due consideration be given American workers in the discussion of trade agreements with other countries. This was of particular importance to his constituents in New Hampshire, where textile and footwear industries are located. His sound judgment and balanced opinions will, I am sure, be remembered by his former colleagues as we continue our review of numerous trade issues this year and next.

Mr. President, I think what we remember best about Thomas J. McIntyre is his remarkable forthrightness and courage. His commitment to represent the best interests of his constituents and his country was unequivocal, even if it risked drawing fatal fire from his political adversaries. This is best exemplified by his support for ratification of the Panama Canal treaties. One of the most memorable events for me, not only during the debates but also during my years in the Senate, was the moving address he made in support of ratification.

After considerable review and evaluation of the pros and cons of ratification, Senator McIntyre came out in favor of the treaties. His decision was made difficult by public opinion in his State against the treaties. But this distinguished Senator from New Hampshire, Mr. McIntyre, did not waver. He stood firm in the knowledge that his decision was based upon many weeks of careful study of the treaties themselves, and in the final analysis, he was willing to put aside self-interests and take a stand for what he believed was the right thing and the best thing for our country. As he said during the debate, "I will go home to Laconia content in my heart that I voted

in what I truly believed were the best interests of my country."

The principles Tom McIntyre demonstrated, Mr. President—intellectual integrity and intellectual independence—are qualities which, in my judgment, make this Congress work not only in the interest of each Member's constituency but also in the interest of the Nation.

I compliment him and commend him. I know his absence will be felt by most of us.

Erma and I join in wishing to Tom and Myrtle every good thing and our prayers for their future happiness and good health.

THE SEATTLE-DENVER EXPERIMENT

Mr. MOYNIHAN. Mr. President, last November, the Subcommittee on Public Assistance held hearings on the findings of research efforts in the area of poverty, dependency, and welfare. Of particular interest were results of the major income maintenance experiments that the Federal Government has conducted in the past decade. The largest of these, the Seattle-Denver experiment, was conducted by SRI International for the Department of HEW.

Some of the principal findings of this experiment were presented by Dr. Robert G. Spiegelman, director of SRI's center for the study of welfare policy. Among the questions that arose during our discussion was the very important one of the ethics of conducting social experiments of this sort. I recalled a paragraph I had written in *Maximum Feasible Misunderstanding* in 1968:

(T)here is an issue beyond objectivity. The 'movement of the social system into self-consciousness' has been accompanied by increasingly sophisticated efforts to shape and direct that system. . . . There arises then a range of questions of ethical behavior that correspond to the canons of professional practice with respect to individual clients. Social workers have developed, and some cases borrowed from other professions, a quite extensive set of rules governing and protecting professional conduct. They can, for example, purchase insurance for suits against malpractice. But what is malpractice with respect to a community? At what points are risks taken that are not justified?

I asked Dr. Spiegelman to reflect on these issues in relation to large-scale experiments such as the one he so ably directed, and to share his reflections with me. He has now done so, and his thoughtful, careful and sensitive observations deserve a wider audience. I therefore ask unanimous consent that his letter to me of January 12, 1979, be printed in full in the RECORD.

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

JANUARY 12, 1979.

Senator DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Committee on Finance,
Washington, D.C.

DEAR SENATOR MOYNIHAN: In my testimony on November 15, 1978, you requested

that I prepare a statement as to my views of the ethics of conducting a social experiment under conditions in which some persons in the experiment can suffer harm. Specifically, you were concerned with the ethics of conducting the income maintenance experiments, which appear to increase the rate of marital separation and thus cause some children to live in single-parent homes who otherwise would have lived in two-parent homes.

In discussing the ethics of conducting social experiments, there would seem to be three considerations: (1) Are the participants at risk of suffering harm? (2) Is there informed consent by the participants? and (3) Does society and/or the participants stand to gain from the results of the experiment? I will not attempt to deal generally with the ethics of social experiments, but rather to confine my observations to the specific concerns regarding the NIT experiments. Defining "harm" is not simple in a social experiment. In a medical experiment all may agree that an illness induced by the experimental treatment is harmful. Since the treatment in the NIT is essentially the provision of additional income, the treatment itself cannot be judged to be harmful. Rather, it is the participant's response to the treatment that may cause harm. But harm in whose terms? If the individual knowingly chooses a response, then presumably he is better off making that response. For example, a response to the NIT treatment can be to reduce hours of work or to get a divorce. Since these responses are voluntary, harm is only a relevant consideration if the responses are not based on reasonable information provided the participants, and that participation in the experiment is not voluntary. In other words, is there "informed consent?"

In the NIT experiments, consent is obtained by requiring an enrollment agreement to be signed by the agents of the experiment and the family. This agreement explains the rights and obligations of the family members. The family may accept or reject membership. Furthermore, each family member has the ability to withdraw from the experiment at any time without penalty. Those families who were previously on welfare (AFDC), were guaranteed the ability to return to that program.

With regard to consent being informed, it is necessary that the individual has an ability to decide what is in his own best interest. As pointed out by Peter Brown, the two issues of information and risk of harm are highly related.¹ The higher the risks involved in the experiment, the greater the need that information about the experiment be imparted. Thus, in experiments in which the individual or family could suffer harm, the risks should be spelled out clearly and completely. This does not mean that it is necessary to inform the family of the overall purposes of the experiments. Thus, the fact that the income maintenance experiments are interested in measuring the effects on work effort does not have to be conveyed to the recipients. Conveying such information could change family behavior and nullify the experiments. What is necessary is that the family know how it will be directly affected by the experiment. The family should know what it is giving up in order to take part in the experiment (i.e., other welfare benefits) and how its behavior will determine the payments to the family. This creates no difficulty because complete information about how

¹ See P. Brown, "Informed Consent in Social Experimentation: Some Cautionary Notes," in Rivlin, A.M. and P.M. Timpane, eds., *Ethical and Legal Issues of Social Experiments*, Brookings Institution, 1975.

family behavior affects payments is essential not only for the ethical concerns but also for the success of the experiment. Furthermore, the income maintenance experiments have no "hidden" treatment as may exist, for example, in a birth control experiment in which some people are given placebos when they think they have been given birth control pills. This would be a violation of the informed consent provisions, and no such violation occurs in the income maintenance experiments.

The issue is complicated by the fact that the decision to participate in the experiment is that of the adult parent and not that of the child and it is potential harm to the child that is of concern here. This concern, however, is more a reflection on the parent-child relationship than on the relationship of the experiment to the child. It is well recognized that parents have a wide latitude within both the law and social custom regarding decisions that affect the child. A parent is not supposed to make decisions that are directly adverse to the child's well-being. As stated by Paul Ramsey, "The parent has a sacred obligation to protect the child's interest." However, society does not require that a parent obtain the consent of the child to make decisions that affect the child's well-being. We cannot impose upon the participants in an experiment a set of consensual standards that differ from those imposed by society apart from the experiment. To do so would be an unnecessary infringement upon the rights of the participants. It would also compromise the experiment by introducing an artificial difference between the experimental situation and the real world. Parental decisions to divorce, remarry, quit work, or move to another town affect children both within and outside the experiment. The experiment does not (and should not) alter this parent-child relationship.

The last issue is benefits. These are twofold. There is potential benefit to both the individual and society as a whole from the conduct of the experiment. The main justification for conducting a social experiment is to gain information to improve the efficiency and effectiveness of social policy. There may be unanticipated side effects, however. If indeed as a result of the experiment harm is caused to participants, for example, an increase in the marital dissolution rate (if it is regarded as a harmful outcome), then it follows that the information in this case may be the most valuable of all. These unintended harms befall a very small number of individuals, whereas if the program had been harmed without the experiment, the number harmed may be far greater. Thus, societal benefits from a social experiment are particularly high if that experiment uncovers a harmful effect of a policy that has a high probability of being implemented.

There should also be benefits to the individuals taking part in these experiments. One form of benefit may be the satisfaction gained from accepting risk of harm by an altruistic individual who wishes to aid society. In the case of income maintenance, however, no such altruism was required as the individual families could be expected to participate only if they received direct and immediate benefits. These benefits came in the form of increased cash incomes. One may argue that individuals could only perceive correctly their short-run benefits and may badly misjudge their long-term benefits which might not have been as positive. This is true, but irrelevant. Individuals make de-

² See Rivlin and Timpane, p. 42.

cisions for both short- and long-term gains. Long-term effects are always seen with much less certainty than short-term effects. If the individual was fully informed with regard to issues that influence longer term effects, such as the date the experiment would terminate, and the conditions that would be provided to him at the point of termination there is no special problem. Whether an individual sees the long-term effects of divorce or quitting a job is really not relevant to the informed consent doctrine for an experiment. This is part of a normal behavior process and the individual must evaluate the pros and cons of taking those actions as well as he can. Similarly, he must make such an evaluation when he decides to join the experiment.

We hold that the income maintenance experiments are on firm ethical grounds in that the members of the experiment are well-informed as to the benefits and costs of participation, that their voluntary consent is obtained and can be rescinded at any time, and that essentially participation is only made on the basis of an individual's benefit/cost calculation.

Sincerely,

ROBERT G. SPIEGELMAN,
Director, Center for the Study of Welfare Policy.

RECESS FOR 1 HOUR

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 1 hour.

The motion was agreed to and at 12:41 p.m., the Senate recessed for 1 hour; whereupon, at 1:41 p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. LEVIN).

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

SENATE RESOLUTION 9—PROPOSED AMENDMENT OF STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I withdraw my motion on Senate Resolution 9 and I ask for a ruling.

The PRESIDING OFFICER. The motion is withdrawn.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a final vote on Senate Resolution 9, as amended, if amended, no later than 3 o'clock p.m. on Tuesday, March 6, 1979, with the understanding that the details as to time on amendments, the time allotted for debate and the control thereof, the time on motions, points of order, at cetera, may be placed later. At this time, we will only agree to a final vote to occur not later than the aforementioned date.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, Mr. President, the Senator from North Carolina asked to be present for this agreement. He is on his way to the Chamber now.

I would like to make sure we understand what the procedure will be. The majority leader has withdrawn his motion and Senate Resolution 9 is still pending, however.

Mr. ROBERT C. BYRD. I have just offered it.

Mr. STEVENS. The Senator has offered it?

Mr. ROBERT C. BYRD. I have offered it. So there is no motion pending.

Mr. STEVENS. There is no motion pending before the Senate at this time.

Mr. STENNIS. Mr. President, may we have conditions where we can hear? This is an important matter.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STEVENS. I am grateful to my good friend.

Mr. President, it is our intention to proceed, as I understand it, following the agreement, assuming we enter into it, into a period whereby the majority leader would adjourn the Senate and we would then enter the second legislative day.

Mr. ROBERT C. BYRD. That is correct.

Mr. STEVENS. The effect of that, as I understand it, would be that having entered the second legislative day, if the distinguished majority leader renews his motion, then the Senate having proceeded through one legislative day, under the existing rules would then require a two-thirds vote of the Senators voting to change the Senate rules.

Mr. ROBERT C. BYRD. No, it only requires a majority at any time under the present rules. But if we get an agreement as to a final vote, then there would be no need for a motion to invoke cloture on a filibuster because we would have already agreed to vote no later than a certain date on the measure itself. But by going into the second day, I could not then renew the motion which I had withdrawn.

Mr. STEVENS. Is it the distinguished majority leader's intention that it would be possible to proceed with his motion on the basis of a majority vote?

Mr. ROBERT C. BYRD. No, not the motion that I had entered and have withdrawn. I have withdrawn that. If we now agree that we will have a vote up or down on the resolution, as amended, if amended, no later than March 6, there would be no reason to renew that motion because I would have obtained consent on the resolution as to the final vote.

Mr. STEVENS. May I inquire, what is the majority leader's understanding of the number of Senators who would be required to carry the Senator's motion as it is presented the second time? Would that be two-thirds?

Mr. ROBERT C. BYRD. I will not pre-

sent the motion the second time. If we get the agreement that we may proceed to debate this resolution and amend it, if need be, with a final vote to occur no later than March 6, this would simply be a unanimous-consent agreement.

Mr. STEVENS. How many Senators would be required to adopt the Senator's resolution amending the rules?

Mr. ROBERT C. BYRD. That would be a majority, but that is true any time during the year. A majority of the Senators may amend the rules at any time during the year. The two-thirds comes in by virtue of the requirement of two-thirds to invoke cloture on a filibuster in a change in the rules. But the change itself never requires more than a majority vote under any circumstance, under the present rules.

Mr. STEVENS. I might say to my good friend I think I am going to have to confer with the Members on my side on this matter. It was our understanding, and my instructions were, that we were at liberty to enter into a time agreement on the basis that it would require a two-thirds vote to amend the rules.

Mr. ROBERT C. BYRD. That would be an entirely new rule in the Senate. The Senate has never operated under that rule. The two-thirds question always comes in with respect to invoking cloture on a change in the rules. It has never required more than a majority vote to change the rules. I would be very happy to have the Chair state whether or not I am correct.

The PRESIDING OFFICER. The Chair agrees with the majority leader. A majority vote is required to change a rule or to amend a rule.

Mr. HARRY F. BYRD, JR. I came in late and I may not fully understand the proposal. As I understand it, if the proposal, the unanimous-consent request, is agreed to, the Senate then would be giving up the right to a cloture vote, which would take two-thirds to cut off cloture—is that right?

Mr. ROBERT C. BYRD. As in any unanimous-consent agreement, that is correct.

Mr. HARRY F. BYRD, JR. What the Senate would be giving up is the opportunity to require a two-thirds vote before cloture could be invoked—

Mr. ROBERT C. BYRD. To invoke cloture, yes.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. ROBERT C. BYRD. The Senate would not be giving up that right. If there were a unanimous-consent agreement, there would be no cloture involved.

Mr. HARRY F. BYRD, JR. But the unanimous-consent request, if agreed to, would make it impossible, then, for the Senate to continue to debate unless two-thirds of the Senators present and voting voted for cloture.

Mr. ROBERT C. BYRD. It would preclude a filibuster on the rules change.

Mr. HATFIELD. Will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATFIELD. I inquire of the ma-

majority leader as to the impact of his withdrawing Senate Resolution 9 prior to entering into a unanimous-consent agreement. What is the relationship of that particular—

Mr. ROBERT C. BYRD. I did not withdraw Senate Resolution 9. I merely withdrew the motion that I had offered to proceed immediately, without debate, to consideration.

Mr. HATFIELD. What is the purpose of withdrawing that motion?

Mr. ROBERT C. BYRD. The purpose of withdrawing that motion is that the motion does not exist at the moment. In essence, I have just offered the resolution and I have asked unanimous consent that the Senate proceed to consideration thereof and vote no later than March 6 on the adoption of the resolution as amended. So there is no such motion at the moment pending. If we get the agreement, that relieves all this business about the possibility of forcing the Senate to a vote by a majority at the beginning of a new Congress to change the rules. That eliminates that, because we will simply enter into an agreement that on March 6, no later than that date, we will vote on this resolution.

Mr. HATFIELD. The majority leader, I am sure, will be interested in knowing that—if I could have the majority leader's attention.

Mr. ROBERT C. BYRD. Yes.

Mr. HATFIELD. The instructions that were given by the ad hoc committee functioning on the majority side to our party whip (Mr. STEVENS) was that we would agree to a time certain for the vote on whatever package we had put together in the meantime; but that was coupled, that was contingent upon an agreement's being reached that the two-thirds majority issue not be raised or not be a part of that agreement.

In other words, we wanted to make certain that we preserve for our side, at least, the constitutional issue of the two-thirds vote to make actual amendments or changes in the rules at the beginning of the session.

Mr. ROBERT C. BYRD. Even at the beginning of a new session, or midway in a session or at the end of a session, or at the beginning of the second session of Congress or midway in the second session of Congress, the Senate may change its rules by majority vote. The question about the two-thirds only arises if there is a filibuster on the change of the rules. It takes two-thirds to shut off a filibuster. For me to agree that it would take two-thirds to adopt my resolution on March 6 would be for me to enter into a new rule that simply has never existed, and does not exist today; to wit, that it requires two-thirds of the Senate to change the rules. That is not the case.

Mr. HATFIELD. I do not think the Senator—we did not apply, with respect to the majority leader, to change the rules on the basis of some kind of unanimous-consent agreement. By the same token, we want to preserve our right to

at least lay down a cloture, if necessary, in order to preserve the two-thirds roll vote there in reference to amendments or changes in the rules at the beginning of the session.

Mr. ROBERT C. BYRD. Well, I have withdrawn my motion. If we enter into the unanimous-consent agreement, it seems to me that that leaves that entirely aside; we would not be put to that test at all. We would simply have entered into a unanimous-consent agreement, as the Senate often does, to debate a given measure. We would flesh in the details as to debate on amendments, motions, appeals or points of order later and the Senate would vote up or down on the measure at a given date.

Mr. HATFIELD. May I ask one more question?

Mr. ROBERT C. BYRD. Yes.

Mr. HATFIELD. I would like to ask the majority leader why we have been proceeding since the 18th of January under the procedure that we have been.

Mr. ROBERT C. BYRD. Simply because I was giving the Senate time, hoping that the two ad hoc committees could work out an approach which would obviate the possibility of my pressing my motion. We are still in the first legislative day of the new Congress. I had a motion to proceed without debate to take up the resolution. I have not wanted to press that and, therefore, trigger the previous rulings by vice presidents of both parties. I had wanted to avoid that, hoping we could work out a time agreement on the resolution which would permit us to take it up in an orderly fashion, debate it and amend it and vote on it at a certain date. That puts aside all of these other questions that we have been fearful of. That is what I thought we were about to achieve.

Mr. McCLURE. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield for the purpose only of his asking a question.

Mr. McCLURE. I thank the distinguished majority leader. It seems to me that the situation is this: That the rulings have been as the majority leader states, that the Senate can, at the beginning of a session, adopt rules by majority vote. On the question of whether or not there can be extended debate upon those rules, there is precedent on both sides, the most recent of which is that the matter can be submitted to the Senate without debate. That question has not been fully settled in the minds of some Members of the Senate and there are some who wish to consider that at some length. I think the effort has been made to avoid the debate upon that issue and to focus our consideration upon the rules rather than that issue. Committees have been meeting on both sides of the aisle, trying to come to an accommodation and an agreement with respect to what ought to be in proposed rules changes to deal with the question of the postcloture filibuster as it has evolved in recent years. I think substantial progress is being made in those negotiations and I think it may be that

we are very close to coming to some agreement.

It has been stated that to ask that the rule change be by a two-thirds majority would be to adopt a new rule. I think, in effect, it would be, and the majority leader has indicated that that is asking him to concede too much. The other side of that is the question, if resolved by the Senate, that indeed debate cannot be cut off by a simple majority, even at the beginning. That is a debate we have all wanted to avoid if we could. Yet if we agreed to a simple majority vote at a time certain, those who wish to debate that issue will have conceded everything. It seems to me that is asking those of us on our side to concede too much.

Mr. ROBERT C. BYRD. Well, Mr. President, it is not conceding anything, because I would immediately adjourn and put us into a second day. So this argument about the first day of a new Congress would have evaporated, because we would then be in the second day.

Mr. McCLURE. Will the Senator yield further?

Mr. ROBERT C. BYRD. Yes.

Mr. McCLURE. But in effect, those who are concerned about what might be in the rules change would have given up any opportunity to raise any question as to whether or not it required more than a majority vote to either cut off debate or adopt rules.

Mr. ROBERT C. BYRD. Why have we not taken these days? We have been meeting now for 2 weeks and I have offered Senators plenty of time to debate. We have had morning business and they could have gotten up and debated that question. Now, after 2 weeks, when we had hoped to reach an agreement—the ad hoc committees have been meeting, trying to work out some proposed changes in Senate Resolution 9, and I think there have been some good suggestions and some progress made—I thought it was about time that we tried to reach an agreement on debate and the final vote on that resolution.

Now, I do not want to debate the 51 question. I do not want to debate the matter of the rulings that have been made previously by various Vice Presidents in both parties. That would become a moot question if the Senate would agree to vote on this resolution up or down.

(Mr. EXON assumed the chair.)

Mr. McCLURE. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. McCLURE. The situation, as I see it, though, is that the question of whether or not it requires 51, to terminate the debate, is interrelated with the question of whether or not those who are opposed to the rule change might wish to influence the direction of the rules change, are limited and ruled by a vote of a majority of a quorum being present. To agree to a time certain and at the same time agree to a simple majority of a quorum present, those who may wish

to debate the rules change from the standpoint of resisting changes they think go too far will have conceded whatever opportunity they may have to raise the other question.

Mr. ROBERT C. BYRD. I do not agree with that at all. I do not agree with that at all.

Mr. McCLURE. The point I was trying to make with the distinguished majority leader is that it seems to me that the people who have been negotiating in good faith and were very much concerned about the direction of the rules change—

Mr. ROBERT C. BYRD. And I am included in that.

Mr. McCLURE. Yes, I understand that. I do not exclude the Senator from that.

They will have given up any attempt or any opportunity to prolong the discussion beyond a fixed date.

It seems to me if all Members are willing to do that in terms of a unanimous-consent agreement to come to a vote, that they ought not to be also asked to give up the opportunity to raise the question of whether or not that can be limited by a simple majority vote. I think the two-thirds request for adoption of the rules might be tempered by a consent agreement, or unanimous agreement, on all sides, that it takes the same majority to adopt the proposed rules change under the unanimous-consent agreement that it would for the cloture, if, as a matter of fact, cloture were required to be invoked to cut off debate.

Mr. ROBERT C. BYRD. Mr. President, if I may say so, most respectfully, that is one of the most specious arguments I have ever heard made in this Chamber.

Here we are asked to enter into a time agreement on a rules change and to include in that time agreement the understanding that any changes in the rules that would be voted would have to be voted by two-thirds.

Now, that is entirely unheard of. Where this idea ever germinated that it takes two-thirds of the Senate to change the rules, I have been unable to research and find. It is not anywhere in the rules.

It only takes a majority of the Senate, a majority of those present and voting, at any time, to change the rules of the Senate, whether it is January, February, March, April, May, June, July, August or December, whether it is the first session or the second session. It only requires a majority of those present and voting to change the rules.

Now, I am being asked to agree, to enter into an agreement that we will vote finally on March 6, no later than then but that it will take two-thirds of the Senate to change the rules.

Now, Mr. President, I am not about to enter into that kind of an agreement. I think I am being imposed upon, even to suggest that I enter into that kind of agreement.

Mr. STEVENS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield to the Senator.

Mr. STEVENS. I hope my good friend will not indicate I have imposed on him.

Mr. ROBERT C. BYRD. No.

Mr. STEVENS. We were trying to find a way around the problem of whether or not, at the beginning of the session—

Mr. ROBERT C. BYRD. Let me change that.

I am not being imposed upon, it is the Senate that is being imposed upon, to be asked to change its rules by a two-thirds vote, and I am not saying that anybody, the Senator from Alaska or the Senator from Idaho, means to do that.

But I am simply saying that has never been heard of, and, as majority leader, I will not stultify the rules of the Senate by agreeing to enter into any agreement that it will take two-thirds of the Senate to change the Senate rules.

That is not in the rules now and I am not going to make it a precedent.

Mr. STEVENS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENS. It was not a desire to change the rules as much as it was the desire to avoid the question of whether the rules pertaining to a two-thirds vote, or really 60 Senators, could terminate debate, rather than 51, on the initiation of the proceedings of the Senate in a new session. We have suggested that as a compromise, instead of the 60 of the Members duly chosen and sworn that in this instance two-thirds of the Members of those present and voting, be required to approve Senate Resolution 9, so we could move beyond the question of whether there is a cloture process that applies to changing the rules during the initiation of a new session. We sought to avoid the question of whether 51 could do it without regard to rule XXII. We sought to establish a procedure for this instance only. I say to my good friend, if we can do that then I can assure him he will have the support of the Members. As he knows, we are so close now in terms of the rules change, I expect to get 100 Senators to vote for it.

We were trying to assure that the record shows we did not yield on the principle that it would require 60 Senators to terminate the debate at the initiation of a new session of the Congress.

So I have to apologize to the distinguished Senator if I did not convey the instructions I received correctly. But it was my intention that we would have in the agreement a provision that in this instance, in order to avoid that knotty issue of whether the dictum of the late Vice President Rockefeller was correct or not, that we would have this unique agreement which does not change the rules, but for the purpose of this resolution would mean it would require two-thirds of those present and voting to pass that change of the rules.

Mr. ROBERT C. BYRD addressed the Chair.

Mr. STEVENS. I am advised by my good friends in the parliamentary business around here that by unanimous consent that could be done, although it is not changing the rules by unanimous consent.

Mr. ROBERT C. BYRD. By unanimous consent we could require three-fifths, or we could require four-fifths. We could

require 99 out of 100, or require all 100 Senators elected and sworn be required to adopt the resolution.

Under the rules and the precedents by which we have been guided for decades, it only requires a majority of Senators to change the rules.

It only requires a majority vote to change the rules. The question of two-thirds comes in on invoking cloture on the rules, but three-fifths are required on other matters.

But I want to say to my good friend that I have eliminated that question, the question he and his colleagues are concerned about. I will have eliminated that question by having withdrawn the motion.

If we can get a unanimous-consent request, that puts that matter entirely aside. We would simply agree to debate that resolution on the rules change, flesh in the details as to time on amendments, motions, points of order, and so on, and no later than March 6 we will vote on that resolution up or down.

The Senate may want to vote it down. The Senate may want to change it in innumerable ways. But it would simply be a time agreement which will preclude and set aside the question which the Senator and his colleagues were so concerned about, to wit, whether or not the Senate may at the beginning of a new Congress change its rules and invoke cloture—invoke cloture; strike change of the rules; we can do that at any time—but invoke cloture by majority vote.

Mr. BAKER. Mr. President, will the Senator yield to me?

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. BAKER. Mr. President, I am sorry I was not on the floor at the time the unanimous-consent request was pro-
pounded. I was not in a position to hear the exchange and I was in another part of the building.

Mr. President, I think we have gone a long way from the first calendar day. I think the distinguished Senator from Alaska has rendered yeoman service in trying to bring us a package that will be acceptable not only to the majority leader but to two-thirds, and, I hope, to the entire Senate.

It has been a long, laborious task, as he has headed up the ad hoc committee on our side to consider this matter. The distinguished majority leader, I am sure, would underscore that the ad hoc committee on his side has worked as well.

I thought for a moment today that we had an agreement, and it is clear to me now that we do not. I do not think that is anybody's fault. I think it is purely a misunderstanding and one of those things that can occur in a fever-filled subject and a complex issue such as this.

I hope we will persevere in our efforts to find a solution. My own view is that if we set a time certain, that would be greatly facilitated, or the likelihood of obtaining unanimous consent would be greatly enhanced, if we had a general understanding of what it was we were going to deal with—that is, if we could go a little further with our two ad hoc committees yet today, to outline the gen-

eral subject matter with which we would deal. I think there is some chance that we could arrive at a time certain.

I would like the record to show that I am sure my colleagues on this side of the aisle know that I think we should try to get this issue resolved and get on with the business of the Senate. But it requires careful, cautious consideration; and I hope the majority leader might permit us a little more time to see if we could reconstitute some sort of agreement that would be suitable.

Mr. ROBERT C. BYRD. I would be glad to do that.

I share what the distinguished minority leader has said with respect to the efforts of our distinguished Republican whip. Mr. STEVENS and his ad hoc committee have worked laboriously. They have been very dedicated and very resourceful in their approach. I have worked with them to some extent and with our own ad hoc committee to some extent. I think a good approach has been reached, so far as I can see, at this point.

I would not say that it should not be changed in some slight details. Perhaps the Senate should take a look at it and make some changes as from time to time appear to be advisable. But it is a good working piece. It would be in lieu of two of the sections of my resolution, and it would give the Senate something to work on.

However, I think we need a time agreement so that we can put at rest the idea that I might press the approach which I see as a constitutional one at the beginning of a new Congress. I want to avoid that, and many Senators on my side want to avoid that, as do many Senators on the Senator's side. If we could get a time agreement on my resolution, that would be put aside; we would forget about that.

Mr. STEVENS. Would the Senator wish to renew his motion and allow the distinguished Senator from Mississippi to continue now, to make a statement? I have to have time to work out the agreement. I thought we had an understanding of shifting the concept in terms of just this one vote to an increased requirement for the adoption of these rules changes, and there is a misunderstanding.

Mr. ROBERT C. BYRD. There is a misunderstanding. If I have contributed to it, I apologize. I hope we can reach a time agreement.

Therefore, Mr. President, I renew my motion at this time.

The PRESIDING OFFICER. Does the Senator withdraw his unanimous-consent request?

Mr. ROBERT C. BYRD. I withdraw the unanimous-consent request for the time being.

I now renew my motion; and I ask the Chair to protect the motion and the resolution in accordance with the orders entered into earlier today, which meant that only a unanimous-consent request in relation to a time agreement would be offered today, and I would reserve my nor-

mal rights of being able to withdraw the motion or to modify it, in any case.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield the floor.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi.

Mr. STENNIS. Mr. President as I understood, consent was given that I be recognized, and I yielded to the Senator from West Virginia on that important matter.

Mr. President, I shall not detain the Senate very long, but I do have some thoughts that I believe are worthwhile and should be expressed now.

FEDERAL REGULATION: A LEADING GROWTH INDUSTRY

Mr. STENNIS. Mr. President, the court action known as a class action which Sears, Roebuck & Co. has filed against 10 Federal agencies is additional evidence, if any be needed, of the confused, contradictory and conflicting state of Federal regulations and the entire regulatory process. In this suit, which involves equal opportunity policies and affirmative action programs, Sears alleges that it has spent \$100 million trying to comply with Federal antidiscrimination laws but has been unable to do so because the rules and regulations issued by the several agencies are conflicting and contradictory. My remarks, of course, go to the whole process of excessive rules and regulations, whatever the subject matter may be.

I know nothing of the merits of this suit, of course, and express no position concerning it. I mention it because it confirms the fact that, among the public in general and business and industry in particular, concern, confusion, and alarm over the cost and burden of Federal regulations and paperwork is at an all-time high. Worse than this, it is still growing. The reason is clear. Federal regulatory activity is one of our leading "growth industries" and the regulations which result are among our foremost "growth products." This is particularly true in such fields as job safety and health, energy, environment, equal opportunity programs, and consumer safety and health.

American business and industry, Mr. President, are literally staggering under the ever-increasing burden of Federal regulations. I have some figures of the costs of regulatory compliance that establish this as a fact. There seems to be a general perception that those who exercise the regulatory functions in the executive department are almost literally running out of control. This perception has a solid base and foundation. I am persuaded that this Nation's industry and business are becoming increasingly entangled and ensnared in such a web of regulation and bureaucratic require-

ments that they are no longer able to function at maximum efficiency. This comes at a time when we are suffering from a lack of growth in productivity.

The extent of this burden is illustrated by the fact that there are 44 major departments and agencies at the Federal level with regulatory powers, and over 1,200 other boards, commissions, and agencies with the power to issue rules and regulations. The Federal organizations employ over 80,000 individuals in permanent, full-time regulatory functions. The direct cost to the taxpayer to finance these regulatory activities has risen from about \$2.3 billion in fiscal year 1974 to an estimated \$4.8 billion in fiscal year 1979.

The impact of this rapid expansion of Federal involvement in and interference with the affairs of the industries and businesses of the United States is hard to overestimate. Although Congress is not entirely without fault in this field, this greater involvement and interference has been expressed primarily through the regulatory process.

Let us take a quick look at how regulatory activities have grown and expanded. According to a study, which is believed to be reliable, made by the Center for the Study of American Business, a private organization in St. Louis, Mo., overall Federal regulatory expenditures are currently about 6 times the level of 1970. Over the same period, expenditures for regulatory activities have increased by a factor of 5.8 in the field of consumer health and safety, by a factor of 10 in job safety and working conditions, and by a factor of 11.8 in the field of environment and energy. Current staffing levels in the regulatory agencies are about 3 times the 1970 level. There can be small wonder that the cost and difficulties of complying with Federal regulatory and paperwork requirements have literally skyrocketed.

Mr. President, I am not concerned about this merely because of some statistics I read or because of a complaint by some large, influential business organization or industry. I am concerned primarily because of those with whom I have had contact—the small business people, the small industries, the small enterprises—who want their enterprises to earn a living for themselves and their families. There is hardly enough profit for them under the best of circumstances, and the situation is worsened because of the excessive and overextensive paperwork required of them, plus the time required to be interviewed by dozens and dozens of inspectors, investigators and followup people, and the time and cost of getting out the required reports.

I mentioned paperwork and this is an item which should not be overlooked. One of the primary reasons why Federal regulations increase the overhead cost of producing goods and services is that they impose a rising burden of paperwork. As of November 30, 1976, there were 4,418 different types of approved Federal forms, excluding tax and banking forms.

Individuals and business firms spent over 143 million man-hours a year in filling them out, according to the Office of Manpower and Budget. Remember that this was back in 1976. Certainly the paperwork burden has increased substantially since then.

There is some difficulty in arriving at precise figures of the cost of complying with Federal regulation. However, estimates have been made which certainly give at least "ball park" figures, some of which I will mention later. It is generally agreed that, whatever the precise figure, the cost of regulatory compliance is immense. This staggering cost falls first upon the affected industry or business and its direct customers and then later the impact is felt by the public at large in the form of general price increases, slower economic growth and fewer jobs. There is a real and present danger, as regulatory agencies and functions grow, that regulations will continue to feed upon regulations and will become not so much a means to an end as an end itself.

As I have said, no one can be certain just how much compliance with Federal regulation costs American business and industry. I have already mentioned that, in taxes alone, Americans are paying about \$4.8 billion in fiscal year 1979 to support all the Federal regulatory agencies and activities. One estimate of the annual compliance cost for American businesses and industry is \$120 billion, or \$2,000 for every American family.

The economists at Chase Manhattan Bank, in New York, came up with an analysis that, in 1977 alone, Government regulation cost us more than \$100 billion. This equals \$470 for each person living in the United States. It also equals 5 percent of the gross national product and 25 percent of the entire Federal budget in 1977.

Mr. Williard C. Butcher, president of Chase Manhattan, in discussing this analysis in an article in *Business Week*, stated:

All this boils down to a tremendous and tragic loss of jobs for our citizens. Opportunity costs alone in 1977 represented a potential loss of 200,000 American jobs. Indeed, if we took half the \$100 billion regulation bill and invested it in productive projects, we could have created just about 1 million new jobs.

To repeat, there is no method for a precise and accurate calculation of the cost of Federal regulation. However, the figures which I have given are not out of line with other estimates.

Mr. President, I have other figures here that tend to prove this case.

In 1974, the Office of Management and Budget estimated that the cost was \$130 billion. In April, 1978, Warren Buhler, former Director of the Commission on Federal Paperwork, estimated that private and public expenditures for Federal regulation for fiscal year 1979 would be in the neighborhood of \$200 billion. Murray L. Weidenbaum and his associates at the Center for the Study of American Business projected that 1979 costs of regulation would be \$103 billion.

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Finally, the July 8, 1978, issue of the magazine *Purchasing Agent* estimates the cost of Government regulation of business to be \$121.5 billion in fiscal year 1978 and \$134.8 billion in fiscal year 1979.

Government regulation imposes a disproportionate burden on small business. Unfortunately, the regulations typically do not distinguish between companies of different sizes. In actual practice, however, forcing a small firm to fill out the same specialized form as the giants of industry, which have staffs of lawyers and highly trained technical people at their command, places a much greater burden on the smaller enterprises. The Commission on Federal Paperwork estimates that 5 million small businesses annually spend from \$15 to \$20 billion, or an average of over \$3,000 each, on Federal regulatory compliance and paperwork.

I have quoted a lot of figures because they come from so many different sources, both public and private, but there is no great variation for a given period of 12 months between the figures from these official sources and the private sources.

Regulatory requirements also have a significant impact on inflation. Federal regulation and Federal paperwork result in higher overhead costs which result in higher prices for the end product or service involved.

Those costs land just like other costs on the doorstep of the consumer. The public certainly does not escape paying these costs in the form of higher prices. These higher prices represent the "hidden tax" of regulation, and this is a tax which the consumer ultimately bears.

At times, however, the impact of regulation on the prices consumers pay is direct and visible. The Federal Government has required automobile producers to incorporate a wide array of specified safety and environmental features. The Bureau of Labor Statistics has estimated that, through 1976, the cumulative cost increase per vehicle of these mandated features comes to \$557, or \$3.7 billion for all vehicles. This cost has certainly increased significantly since that time. Let me make it clear that I am talking only about the added cost without being critical of all safety and environmental requirements. Some are certainly necessary and desirable.

But certainly the people are entitled to the benefits that come from reasonable regulations, avoiding the repetition from agency to agency, and enjoy the benefits of these regulations that are necessary and not have to pay this stupendous cost, money cost, time cost, and otherwise.

All signs suggest that the business community and public in general are becoming increasingly aware of the cost, burden and danger of Federal regulation. Perhaps what is needed is a regulation revolt similar to the proposition 13 tax revolt. I am certainly not suggesting that anyone violate the law. I have

reference to a revolt that takes the form of effective legal expressions and actions that will get results. The key to any such revolution will be the reaction of the business community and the public at large.

I know how it is. We come in here and we vote for or against certain bills on the merits as we see them. We do not notice closely enough or are not close enough to the vast regulatory authorities that issue the regulations in fine print. We do not have time here, with all of our duties and the multitude of matters that we attend to, to try to undertake to write those regulations or to consider and pass on them after they have been written. We certainly do not have the capability with our investigative arm to follow them up and ascertain how they impact on and burden business, industry, and private enterprise or private family business, and just what mischief and problems result.

There are some hopeful signs, however, that the tide may be turning. The President is clearly concerned about the cost and burdens of governmental redtape. He has established a Regulatory Council composed of representatives of executive branch regulatory agencies and departments. This Council has the power to review proposed regulations and identify and attempt to eliminate areas of duplication, overlap, or inconsistency. The President has also suggested other reforms, not only in cutting regulatory redtape, but in changing the basic way rules may be applied.

I am gratified that in the Congress there is an increasing recognition and awareness of the existence and extent of the basic problem. A number of bills have been introduced seeking to ease the regulatory burden upon business and industry. These proposals range from requiring economic impact statements to the tailoring of regulations to the size and resources of the business, requiring that there be a periodic review of existing regulations, and establishing new proceedings to govern the imposition of recordkeeping and reporting requirements on the public.

Last year there was a strong movement to require that certain Federal regulations upon initial promulgation should be submitted to the Congress and its committees before going into effect. I cannot and do not support such a proposal. If we start requiring that regulations be submitted to us it will not be long before we will drown in a sea of rules and regulations and will be unable to perform our constitutional duty of legislating.

We have about reached the saturation point now. I believe I am competent to pass on that and to make that statement. There is literally not time enough in the day if we worked 16 hours a day, every single Member of this Senate, to cover and consider fully and properly the great multitude of issues that are presented in these vast numbers of complex and lengthy bills that are intro-

duced, and go on to the committees for hearing and earnest consideration, and then are reported to the floor.

This body is being substantially affected by the tremendous volume of legitimate and necessary matters that come before the Senate in the form of proposed legislation. Let us not delude ourselves into thinking that regulatory supervision by the Congress, unless it is greatly limited in extent, is the solution to the regulatory problem. We are going to solve it if we can do so in the manner the President has proposed, through a commission.

The President does not have the power to legislate. We are the ones who have the power to initiate legislation in this field, and we must face up to it.

It was never intended that the Congress should become intimately and directly involved in the detailed, every day approval of rules and regulations being formulated by Federal agencies and I hope we will resist the temptation to do so.

I know how easy it is sometimes after you have exhausted 5 days and most of the nights trying to get some agreement in a conference committee, perhaps, to seize upon the idea that things have got to be submitted back to the Congress before they can become effective, whether they are regulations or other kinds of actions by the executive.

I do not think we have any constitutional power to invest committees with the power to negate laws we passed ourselves and actions under those laws that have been taken by the other agencies of the Government.

We act largely through legislation. The legislative power is not vested in committees, it is not vested in the House of Representatives, it is not vested in the U.S. Senate; it is vested in the Congress of the United States and the exercise of that power requires action by both the Senate and the House. I think we have to stand up for that principle more and more as time goes by.

However, I do welcome the very real interest in and concern over the working of the regulatory process which has been evinced and the willingness and desire of both the executive and the legislative branches to consider new approaches and search for answers to the very real problem. We can and must work together to find a sensible and reasonable solution. While this will not be easy, I am gratified that a start has been made, and I want to pledge and repledge my efforts to work in support of those movements.

We hear a lot of talk about the public complaining about taxes, and complaining about other fiscal matters. I believe the public really is more concerned about the waste they see and know about and can feel, and the cost of compliance than any other item in the regulatory field. The way they see it, and they see it this way because it is the truth, is that the excessive demand made on them for reports and reports, with 16 or more

copies in some of them, and then come back and rereport and rereport, all takes up their time, costs them their money, and requires the hiring of extra help. Those are the things they know that are waste because it wastes their time and wastes their money. It is something they know about from firsthand and unhappy experience.

This is a major matter, a major subject, of the gravest concern. It is helping to create inflation, helping to run up taxes, helping to keep the budget unbalanced, and we have a special duty to do something about it.

I found out to what extent this matter has really traveled and been going, and I am very much interested, and I know many others are, in seeking an effective remedy. I will do my part.

(Later the following occurred:)

The PRESIDING OFFICER. The Chair recognizes the Senator from Michigan.

Mr. LEVIN. Mr. President, before I make the statement I was planning to make, I would like to make a comment on the remarks of the Senator from Mississippi (Mr. STENNIS).

Those of us in the Senate bring to our service here a background of many diverse experiences, but I think a common experience we all share is experience with regulatory agencies, and I think there is almost universally a feeling of disgust with the excesses, the cost, and the usurpations of the regulatory agencies in this country. I told Senator STENNIS that, and thought I might add that remark to the tenor of his remarks relative to the regulatory process.

I have been honored to be appointed the chairman of a new subcommittee of the Governmental Affairs Committee, an oversight subcommittee dealing with this subject, and we appreciate the Senator's remarks.

Mr. STENNIS. Mr. President, if the Senator will yield. I thank him for what he has said, and express my pleasure to him. He is already in a position to try to do something about it. He has gathered his information from the people, and that is where the sting is. I want to help him in every way I can.

Mr. LEVIN. I thank the Senator.

Mr. STENNIS. Mr. President, I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

PATHETIC REORGANIZATION PROPOSALS

Mr. ZORINSKY. Mr. President, in addition to the transfer of the Economic Development Administration, there are proposals to destroy the Farmers Home Administration; eliminate the Soil Conservation Service; and transfer the Forest Service to the Interior Department.

These are foolish and destructive proposals which I believe the Congress will reject. The Committee on Agriculture,

Nutrition, and Forestry has repeatedly and unanimously voiced its objection to any dismantling of the Department of Agriculture.

The President's reorganization project has cost this Government over \$6.5 million and more than 1,000 man-years of work. It is a sad commentary that the proposals which they have adopted are the same proposals which the Nixon administration sent us in 1971—proposals which we rejected.

THE U.S. DEPARTMENT OF AGRICULTURE

The USDA was founded by Abraham Lincoln as "the peoples' Department." Since its inception, USDA has become the representative of about 30 percent of the people, rural Americans, including farmers, the rural poor, small businesses, and all of the other diverse elements of the countryside.

However, USDA is more than a rural department. It is more than an agency to protect and enhance America's vital agriculture. Through its wide array of programs it—

Protects consumers through its food safety and quality educational programs and many other devices;

Provides nutritionally sound meals to school children; to the infants and children of the inner-city; and insures that no American need go hungry;

Working with America's 2.7 million farmers and their families, it protects America's food supply, insuring abundant food at the lowest prices in the world. This is done, not only through commodity programs, but in conjunction with a sophisticated research and extension program that quickly transfers technology developed through research to the dinner tables of the people;

Promotes the sale of U.S. agricultural products overseas. The sale of food produced by American farmers is the largest single factor in improving the Nation's balance of trade;

Protects the economic viability of rural America by providing housing to poor- and moderate-income families; and by providing community facilities and alternative economic development so that our small towns may have balanced economic growth. It also provides at reasonable cost, telephone and electric service to rural residents who might not be served otherwise;

Through its programs on both public and private lands, the Department, by itself, and with cooperators of all kinds protects and enhances the resource base that makes possible the abundance of food and fiber that the Nation is able to produce;

These conservation programs also protect wildlife habitat; protect water supplies; provide dispersed recreation to millions of people; provide hundreds of thousands of acres of rangeland; and provide hundred of thousands of jobs for the unemployed through young people's conservation job programs.

As the number of farmers declined through the past several decades, there have been many attempts to break up the

Department of Agriculture, but all of them have failed. The reason they have failed is because of the diverse nature of the Department. USDA is a vital Department for farmers, but it also provides economic, social, and environmental functions in rural America, while enhancing the nutrition and providing consumer protection to all Americans. The U.S. Department of Agriculture remains the people's department.

THE FARMERS HOME ADMINISTRATION'S ROLE IN
COMMUNITY AND ECONOMIC DEVELOPMENT

Section 603 of the Rural Development Act of 1972 gives the U.S. Department of Agriculture the leadership and coordination responsibilities for rural development. USDA through the Farmers Home Administration, currently administers the most comprehensive array of rural economic and community development resources available at the Federal level. For over 40 years, Farmers Home Administration has been working with rural people and communities to assist them in meeting their financial and development needs. Of all the Federal agencies, USDA has been most sensitive to rural problems and has directed its resources to rural areas. As a consequence, Farmers Home Administration has given increasing responsibilities over the years to meet rural development needs, while other agencies have exhibited an antirural bias.

Farmers Home Administration has an extensive and effective field delivery network that reaches over 2,000 rural counties. Farmers Home Administration has a strong client, and site-specific, orientation that allows for greater flexibility and responsiveness to local needs. The agency has focused its resources on needy communities and people.

In addition to delivering programs, its field personnel provide invaluable technical and professional resources that provide a wide range of advice and assistance to rural people. The Farmers Home Administration brings Government directly to the people. This day-to-day contact has been a contributing factor to the high integrity of the agency.

Farmers Home Administration has taken a number of steps to expand the scope and level of its services to meet the growing development needs of rural America. Field operations have been restructured to improve the delivery of programs; to achieve greater efficiencies in personnel use; and to establish closer working relationships with State, sub-state, and local governments. Through these efforts, Farmers Home is being looked to by rural people and communities as the advocate and spokesman for their interests at the Federal level.

Community and economic development as practiced by Farmers Home Administration keeps rural development policy and program administration closely aligned and coordinated with food and fiber policies and programs. Agricultural production is the single most important industry in rural America, and it would be a mistake to isolate these two interdependent initiatives.

The establishment of a Department of

Development Assistance or a Department of Community and Economic Development will not result in a structure able to meet the unique development needs of rural America. But under either option Farmers Home loses.

Experience gained from Federal development assistance efforts over the past 42 years clearly established the close ties between economic and community development. This is particularly true in rural areas. In rural America economic and community development problems, issues, and strategies are so interdependent that they are indistinguishable. The reorganization options fail to recognize this basic development principle and would make closer coordination between economic and community development programs impossible to achieve.

Since the mid-1960's, Congress has become increasingly aware of the importance of linking economic and community development. This enabling legislation for the Economic Development Administration (1965), the Rural Development Act of 1972, and the Housing and Community Development Act of 1974 and 1977 have clearly emphasized this point.

A significant weakness of the Department of Commerce and Economic Development's option, as well as the Department of Development Assistance's option promoted by the administration, is that it ignores the importance of delivery systems. This is particularly critical in rural areas where more direct and decentralized delivery systems are necessary. Most rural communities do not have full time and highly professional staffs to secure and manage complex development assistance programs. Farmers Home Administration has developed a very extensive and effective rural delivery system. This personal and direct assistance has been a hallmark of the Agency and has contributed to the overall success that the Farmers Home Administration has enjoyed. As a result of its excellent experience, Farmers Home's mandate and responsibilities have been significantly expanded in recent years.

The dismemberment of Farmers Home Administration would seriously weaken the Government's capability to provide comprehensive development assistance to distressed rural areas. Greater administrative efficiencies would not be achieved under the reorganization proposals, and it is quite likely that overall program performance will suffer. In short, Farmers Home has worked well. Rural communities have benefited. Why change it?

THE U.S. DEPARTMENT OF AGRICULTURE AND
NATURAL RESOURCES

When land and related water resource management is viewed as the shared responsibility of Government and private owner-managers, the Department of Agriculture is centrally involved far beyond the functions of the Forest Service and Soil Conservation Service. Department of Agriculture programs and policies affect the conservation and use of farmland, rangeland, woodland, and forests comprising about 90 percent of the land area of the United States.

Major functions of the Department of Agriculture which affect soil and water resource management on private lands include:

Technical assistance for soil and water conservation.

Federal cost-sharing and credit assistance to agricultural producers for soil and water conservation.

Research and extension programs to develop and encourage use by private landowners of new technologies for production of food and fiber consistent with soil and water conservation.

Research activities in natural resources economics.

Federal-State-private cooperative programs in the conservation and use of forestry resources.

Surveys and classifications of land for agricultural uses, and for the preservation of prime agricultural lands.

Assistance to landowners for control of nonpoint sources of pollution.

Policies to divert land temporarily from intensive agricultural use which is particularly susceptible to soil erosion.

These functions cut across the Department of Agriculture and involve the areas of jurisdiction of three Assistant Secretaries and the Director of Economics, Policy Analysis, and Budget. They are also linked with the basic economic stabilization policies for the agricultural sector which are administered by the Agricultural Stabilization and Conservation Service, and with the natural risk protection programs of the Department of Agriculture.

FORESTRY

Forest Service cooperative forestry programs are aimed at the upgrading of protection and management of private forest lands so that they can make their vital contribution to a national forestry effort. These programs are blended with the forestry assistance provided by the other USDA agencies, which, in turn, make 40 percent of the total departmental expenditures for private forestry. The cooperative forestry job of the Forest Service also ties closely with Forest Service and USDA research programs which are developing new approaches to capture the forestry potential on private holdings.

Thus with forestry, as with other agricultural programs, private owners will make the basic decisions affecting the Nation's natural resources situation. The historic success, know how, and leadership in encouraging wise private land use decisions, are in agriculture.

In relation to the possible retirement of croplands, forestry offers one of the biggest potentials and should continue to be a function of USDA.

The thrust and responsibility of USDA in the field of rural development requires full attention to the one-third of America that is forested. Forested areas and economically distressed rural areas tend to coincide. In some areas the national forests are the prime sources of economic strength. The decentralized widespread Forest Service organization, including close ties to State and local

organizations is a necessary part of USDA efforts in rural development—including land management planning coordination with units of State and local government.

Healthy competition among agencies and departments has proven to be effective in advancing forestry and related programs. Coordinating mechanisms are as effective as placing agencies "under one roof" in terms of promoting cooperation.

Management by separate functions; that is, timber, recreation, livestock, grazing, watershed, wildlife, and so forth, instead of by areas or units of land results in chaos and conflict on the ground where resource management actions must be integrated to be effective. One of the strengths of the Forest Service/USDA approach is interdisciplinary, teamwork, and multipurpose management.

The combination of research, public land forest management, and cooperative State and private forestry has proven to be remarkably successful. The quality of national forestry planning is high, because these elements are interwoven and coordinated within a single agency. It also provides a solid platform to meet the emerging issues of the next decade.

Chairman TALMADGE and Congressman TOM FOLEY, the chairman of the House Agriculture Committee, have written to the President three times requesting that the administration not create a Department of Natural Resources. These letters have been ignored.

I ask unanimous consent to have printed in the RECORD communications to the President from the present chairmen of the House Committee on Agriculture, Nutrition, and Forestry, from six former Secretaries of Agriculture representing both political parties, and from Representative BILL ALEXANDER in behalf of the Congressional Rural Caucus.

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

WASHINGTON, D.C.,
December 28, 1978.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are writing to you once again to discuss our views on Federal reorganization as it might affect the U.S. Department of Agriculture.

As we understand from various sources, you will shortly be considering three or four reorganization proposals prepared by the staff of the President's Reorganization Project. This letter concerns itself with two of those proposals—natural resources and economic development.

As we indicated previously, we oppose the transfer of the U.S. Forest Service to a Department of Resources and Conservation. We also oppose the transfer of elements of the Soil Conservation Service to this Department. Further, we believe that the transfer of major elements of the Farmers Home Administration to a re-named Department of Housing and Urban Development would be detrimental to the cause of rural development.

In terms of natural resources, the President's Reorganization Project staff has centered its concern on management of public lands and, in particular, with the role of the Forest Service in the Department of Agriculture and the Bureau of Land Management in the Department of the Interior.

The Department of Agriculture has managed and protected the National Forests in the national interest and, with the direction provided by the Forest and Rangeland Renewable Resources Planning Act and National Forest Management Act, it has shown a willingness and ability to meet resource management and environmental protection challenges of the future. It has provided a proper means for encouraging and facilitating the interaction of various segments of the affected public at local and national levels, and facilitated equitable distribution of costs and benefits among constituents and geographic areas. It has an ongoing program for forestry research in cooperation with universities throughout the country. As the costs for fossil fuels increase, renewable resources will rise in importance, along with the complexities of securing their benefits in an energy dependent society. We believe that the Department of Agriculture is best able to meet this challenge.

Further, the reorganization of Federal efforts in renewable resource management must be based on the need to manage our vast complex of crop, forest, and grass lands to produce the food and fiber that the nation will increasingly need. With two-thirds of our Nation's land in private ownership, a strengthened Department of Agriculture is a necessity.

On January 6 of this year, the world renowned oceanographer, Jacques-Yves Cousteau, wrote the following to the President's Reorganization Project in response to options offered in the area of natural resources:

"We do not believe that the best solution is necessarily to concentrate the responsibility of solving problems with far-reaching consequences for the daily life of our citizens under the umbrella of one single organization. . . . It is often constructive for one such organization to present policies which are substantially different from those of the others. Healthy conflicts can be fruitful. In other words, over-centralization presents the danger that a proposed policy which might appear logical from the point of view of one agency might be harmful because the decision lacks input from another."

The Forest Service and the Park Service play different roles because of the nature of their missions. It has been valuable that these two agencies have had two different Cabinet officers to represent them.

Mr. Cousteau's point of view represented the comments of more than 80 percent of those who responded to the natural resources option paper. Most of the replies indicated no need for reorganization of the natural resource functions of the government.

While there will be strong opposition to the transfer of the Soil Conservation Service and the Forest Service from Agriculture to Interior, we cannot locate strong support for the transfer. In meetings that Secretary Andrus has had recently with timber industry and environmental organizations, he has not come away with significant pledges of support for what the reorganization staff has proposed. On the contrary, the timber industry, much of the environmental movement, and virtually every agricultural organization will oppose the transfer.

Carl Reidel, the president of the American Forestry Association, has said:

"If reorganization is needed at all, it is needed within existing agencies, within ex-

isting programs. If the Administration must reorganize, USDA ought to be the core of any new natural resources department. Nor can forestry programs be pursued in isolation. They must be integrated into overall rural land policies."

We must agree with Mr. Reidel. The Department of Agriculture oversees the protection of virtually all the public and private resource base necessary for the production of food and fiber. It provides needed assistance of many kinds to those who live in rural America.

Insofar as the Farmers Home Administration is concerned, the reorganization staff disregarded the outstanding performance of this agency, and current attempts by its administrator, Mr. Cavanaugh, to reorganize internally to better serve the people of rural America. The Associated Press reported the other day that one proposal being considered is to close the 1,800 county offices of Farmers Home Administration. Such a move would be fiscally disastrous. The Farmers Home Administration's office structure now protects and serves \$30 billion in outstanding debt to farmers and other rural residents. These are relatively high risk loans, since Farmers Home is a lender of last resort. To place the responsibility for collecting this debt in state offices of a new agency could invite massive defaults.

But whether or not these offices are closed, the Farmers Home Administration has been given its \$12 billion farm, housing, and rural development mission because of the urban bias of other Federal agencies charged with carrying out these duties. In an evolutionary way, Congress has been transferring housing, community facility, and economic development programs for rural areas into the Department of Agriculture because the Department of Housing and Urban Development and other agencies have not been responsive to the needs of rural America. We would strongly urge that if a transfer of these rural programs to a re-named HUD is under consideration, that it be rejected.

For over a year, the reorganization staff has been telling our staffs that the purpose of reorganization is not to move organizational boxes around, but to make the government better. As we indicated previously, we wish to cooperate with you in every way to make government better, but those reorganization plans which we have discussed in this letter, only accomplish a moving of organizational boxes. They will not save money. They will not improve service. They will not be acceptable to rural America. We respectfully urge, in the strongest terms, that you decide to reject these proposals.

With every good wish, we are,
Sincerely,

HERMAN E. TALMADGE,
Chairman, Senate Committee on Agriculture, Nutrition, and Forestry.

THOMAS S. FOLEY,
Chairman, House Committee on Agriculture.

—
The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is our understanding that you will be making a decision in the next few days on a proposal to reorganize the natural resource functions of the federal government. We strongly support your objective of improving the effectiveness and efficiency of federal programs. We represent 30 years of experience as Secretary of Agriculture responsible for both the protection and production of natural resources in this nation. And we maintain a vital interest in the future success and improvement of those programs which touch the lives of every citi-

zen of this nation, and indeed, every nation of the world. We wish to offer our views for your consideration as you make a most difficult decision.

This nation is increasingly dependent on its natural resources. Wise management of those resources depends on a sound scientific base. USDA has the dominant role in the federal system for the conduct of research in renewable resources through in-house research by its agencies or through cooperative efforts with the land grant institutions. The management of renewable natural resources, whether of agricultural crops, or production from forests and grasslands, or enhancement of wildlife habitat, is dependent on close association with the body of scientific investigation and accumulated experience found in USDA.

The Secretary of Agriculture has responsibility for the programs affecting the economic and social well-being of rural America. Those complex objectives are dependent in good measure on the coordination of programs applicable to both public and private lands, and to both agricultural and nonagricultural lands. To organize departments or programs on the basis of federal ownership of land instead of the programs and services affecting all lands would be, in our view, most unwise and ineffective.

The delivery system of agencies must be designed so that decisions can be made quickly and soundly at the ground level where the people and the resources are located. USDA has, since its creation by President Lincoln in 1862, been a people's department. It has operated in a decentralized manner, and we believe in a very effective manner. We urge that nothing be done to shift toward centralization or greater control of programs at the national level or to segregate programs on the basis of land ownership.

We are proud of the fact that a Secretary of Agriculture initiated the wilderness system in 1924, 40 years before the National Wilderness Preservation Act was passed. The USDA has established an enviable record of attention to, and improvement in, environmental protection of both agricultural and wild lands and has long demonstrated a balanced approach to protection and production.

Mr. President, we are deeply concerned with the recommendation of the natural resource reorganization study team. We have consistently opposed during our tenure efforts to remove the Forest Service and portions of the Soil Conservation Service from USDA. This kind of proposal has been rejected time and again for very sound reasons. We believe it would again encounter intense opposition and probable defeat. We also understand that there are other proposals under consideration to reassign various functions of USDA to other departments which would weaken the Department of Agriculture. USDA's strength has evolved over the decades as a result of the diversity of its programs and the broad base of public support that such diversity engenders. We encourage you to consider using USDA as the nucleus around which all natural resource programs are clustered. To this end we offer our support.

Sincerely yours,

CHARLES BRANNON,
EZRA TAFT BENSON,
EARL L. BUTZ,
ORVILLE L. FREEMAN,
CLIFFORD HARDIN,
JOHN A. KNEBEL.

JANUARY 18, 1979.

Hon. JIMMY CARTER,
President of the United States of America,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is our understanding that you are on the brink of making a decision on proposals for reorganizing the federal economic development programs. This letter is intended to address this issue and to express our position on this matter.

As we understand it, the Presidential Review Memorandum, which has been presented to you for consideration, takes the position that economic development, community service and housing programs are interdependent and therefore should be administered by a single department. We do not agree with that position.

Success in achieving economic development goals of saving or stimulating the creation of private sector jobs is increasingly closely tied to broad economic issues. These include the productivity of commerce and industry and the Nation's position in foreign trade. Committed and intense involvement of the private sector is necessary. We would point out that both the Department of Commerce, where the Economic Development Administration is located and the Department of Agriculture, where the Farmers Home Administration is located, have direct ties in both the foreign trade and national productivity areas. The Department of Housing and Urban Development does not have these broad ties. Neither would the Department of Development Assistance nor the Department of Community and Economic Development Assistance as we understand them to be proposed.

It has been argued that the Department of Housing and Urban Development spends more on economic development than either the Farmers Home Administration or the Economic Development Administration; primarily as a result of the creation, less than two years ago, of the Urban Development Action Grant Program. This is unfortunate, as many of us stated at the time the UDAG program was being created. Both FmHA and EDA are far better equipped by experience and expertise to deliver these programs.

Few of us concerned with the present and future prospects of potential of places with populations of less than 50,000 have forgotten that it was only after a determined fight that any of the HUD community development block grants and the UDAG funding was assured of going to these less densely-populated areas, even though 66 percent of the Nation's population make their homes in such areas.

Further, few of us have forgotten that HUD's proposals for the modification of the CDBG program and the creation of the UDAG program in 1977 were deliberately designed to favor some regions of the Nation over others.

At the same time, we are well aware of the fact that EDA has been, since its inception, both by law and by practice, an agency dedicated to balanced national growth and service to development needs of distressed areas wherever they may be located. The same is true in the case of FmHA with regard to the areas its rural and community development program operations are concerned.

We would like to bring to your attention that since the 1972 passage of the Rural Development Act, the United States Department of Agriculture has been charged by law specifically with responsibility for rural development matters.

We strongly favor improved linkages between the existing federal activities directed at economic development and at community development. We are of the opinion that these linkages can more effectively be created through modifications of existing law and through a thorough revision of program practices to improve and mandate coordination and cooperation, as well as to eliminate conflicts, over-laps and response gaps in program operations. It is our belief that re-

organization as it has been proposed to you in an unnecessarily drastic action that will traumatize program operations, build in delays and inevitably reduce service to the people of the Nation at a time when both the employment and economic situation demands no lessening in the level of service now available.

In addition, it is reasonable to expect that the reorganization proposal now before you would exacerbate the destructive regional tension already troubling the Nation.

We believe that the reorganization options that you have been presented with have not thoroughly considered the need to generate a critical mass of resources that will advocate for rural priorities and rural equity within a new federal department. The options of strengthening Farmers Home Administration and creating a separate department for rural development have not been thoroughly studied. Communities between 10,000 and 50,000 population could very easily make their own selection between rural development and urban development programs with minor modifications of existing law. We believe your effort would be well served by a thorough debate in Congress and by direct consultation between you as President and concerned Members of Congress before a formal reorganization proposal is presented.

For these reasons, we must strongly and urgently oppose shifting the EDA and FmHA programs to a new department or to HUD at this time. We as strongly and urgently propose that you direct your staff to move promptly to bring about the creation of linkage mechanisms that will improve program operations without the disruptive effects of reorganization.

With kindest regards, we are,

Sincerely,

BILL ALEXANDER,
Executive Committee, Congressional Rural Caucus, Deputy Majority Whip,
Member, Subcommittee on HUD and
Independent Agencies, Subcommittee
on State, Justice.

THE GENOCIDE CONVENTION

Mr. LEVIN. Mr. President, over a 5-year period the United Nations Subcommittee on the Prevention of Discrimination and Protection of Minorities, with the United States abstaining, has continually voted to eliminate from its report on genocide any reference to what was the first genocide of the 20th century—the massacre of approximately 1,500,000 Armenians between 1915 and 1918.

There was no reason, Mr. President, for the United States to sanction the obliteration of these deaths from a historical record. Acts of destruction can only be redeemed if they are recognized; they can only be memorialized if they are mentioned; they can only be prevented in the future if they are remembered.

If our Nation is to be true to its heritage and to its concern for human rights, we need to take an active role in making sure that history is not rewritten to whitewash genocides. For that reason I urge that when the report on genocide comes before the United Nations' Human Rights Commission we support the reinsertion of the deleted reference to the Armenian genocide so that it can be recognized for what it was—a historical reality which can never, and should

never, be blotted from the conscience of mankind.

And our concern needs to transcend this specific tragedy. We must take steps now to make sure that the entire record of genocide is made clear to all peoples—because only by being fully informed about the past can we promote a saner and safer future.

We have taken some steps in this regard. On November 1, 1978, President Carter created, through an Executive order, a Presidential Commission on the Holocaust and charged them with the responsibility of recommending ways for the Nation to commemorate April 28 and 29, 1979 as "Days of Remembrance of Victims of the Holocaust." I do not think there is any better way to commemorate that tragedy than by doing what we can to reduce the likelihood of more like it in the future. I suggest that one way in which the Senate can participate in that remembrance is to schedule a vote on the ratification of the International Genocide Convention on one of those days.

The United States should join with the other 82 nations which have already ratified the convention. The Congress should heed the advice given to us by Presidents Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter and ratify the convention.

Our leading role in the world as a people which holds dear human rights has been tarnished by our failure in this regard. We should join the family of nations and boost the hopes of humankind by ratification of the Genocide Convention this April.

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

Mr. LEVIN. Yes. I am done, anyway.

Mr. MOYNIHAN. I would like to congratulate our new colleague from Michigan for his comments about the failure of the Human Rights Commission.

As he would be the first to agree, it is all too characteristic of the Human Rights Commission to whitewash the condition of human rights in so much of the world.

We agreed, not long ago, to the bizarre condition that Uganda be Chairman of the Human Rights Commission. We have been more forceful in recent years in our presentations to that body. But at no time has it lived up to its purpose, and at no time has it served the need, as I think, for a United Nations Commission on Human Rights. At no time has it reflected, in the majority of its membership, nations where anything roughly approximating the commitment to human rights written into the United Nations Charter is observed. When a majority of the members of the Human Rights Commission are dictatorships, we can expect very little to follow. But we should expect those democracies which are represented to speak to that fundamental flaw in the composition of the Commission itself.

I thank the Senator for his observations.

The PRESIDING OFFICER. The Chair recognizes the Senator from California.

MINORITY OPPORTUNITIES IN BUSINESS

Mr. HAYAKAWA. Mr. President, ever since this Senator has been a Member of this body, he has been very much concerned by the fact that people who call themselves liberals and concern themselves with the misfortunes and the condition of minorities have done their best to pass legislation that cuts off opportunity and cuts back business chances for people in the minorities, especially blacks. I called attention very early in my tenure of office here to the damage done to black youth, for example, by the fact that the minimum wage continues to go up and up, and more and more black young people lose their jobs or are never able to get any at all.

I am glad to be able to point out that at this time a number of black economists and other leaders who have been contemplating this problem for a long time have broken ranks with the liberals and have come out very strongly for the economic progress of blacks. I refer specifically to Thomas Sowell of the University of California at Los Angeles, Walter Williams at Temple University, the NAACP president, Benjamin Hooks, and people like Bayard Rustin of the civil rights movement.

Their views, which have been known for some time, have finally come to the surface as related in a recent editorial in Time magazine entitled "New Bridges Between Blacks and Business," written by Marshall Loeb and published in the January 22, 1979, issue of Time. I ask unanimous consent that the editorial be printed in the Record.

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

NEW BRIDGES BETWEEN BLACKS AND BUSINESS

America's business people have a unique opportunity to form new alliances with a large, yearning and vocal group of Americans who were long thought to be hostile, or at best neutral, to business: the nation's 26 million blacks. They are not, of course, about to split on all issues from their traditional allies among liberals and labor. But Benjamin Hooks, chief of the National Association for the Advancement of Colored People, likes to quote the remark of Ossie Davis, actor and activist: "We have no permanent friends, we have no permanent enemies, we have only permanent interests."

More and more black leaders say that their interests coincide with those of business on energy legislation, Government regulation, environmental controls and numerous other issues. The nation should not necessarily alter its policies just because members of these two groups call for change, but the jointly held views of blacks and businessmen make sense on many matters.

No white businessmen are more forceful foes of the minimum wage than such black economists as U.C.L.A.'s Thomas Sowell and Temple University's Walter E. Williams. Sowell has concluded that the rise and spread of minimum-wage coverage is a catastrophe for young and unskilled blacks. According to his studies, it is by far the major reason that the unemployment rate for 16- and 17-year-old black males is five times higher today than in 1952, when it actually was lower (8%) than comparable white teen-age unemployment. He finds it distressing that "people who are perfectly capable of doing a job have been made

unemployable because they have been priced out of the market."

Sowell also believes that the rise of poor blacks has been blocked by environmental rules and other Government regulations, a view held by other black intellectuals. His argument: "Regulatory rules have impeded people who are climbing rather than people who are already at the top. There is a fundamental conflict between the affluent people, who can afford to engage in environmental struggles, and the poor people, who need space and access to recreation. If you're talking about keeping the coastline pure enough for the standards of the Sierra Club, you're talking about keeping the people living in Watts down in Watts. You don't see many black faces in the Sierra Club."

The same idea is echoed forcefully by Bayard Rustin, the civil rights veteran, who condemns the "self-righteous, elitist neo-Malthusians who call for slow growth or no growth. The policies of these elitists would condemn the black underclass, the slum proletariat and rural blacks, to permanent poverty." Rustin contends that the curtailment of construction projects, factory expansions and farm ventures for environmental reasons already has cost many potential jobs for blacks. The only way that unemployed blacks can join the work force in a significant way, he argues, is for the economy to grow vigorously.

The N.A.A.C.P.'s Ben Hooks also speaks out against "the more radical fringes" of the environmental and regulatory lobbies. "We are not anti-environmental," he stresses, "but we are saying that there ought to be social-economic impact statements for environmental regulations." Hooks condemns many niggling health, safety and zoning regulations that he says are "really killing our neighborhoods." The costly rules can prevent modestly financed blacks from starting Mom and Pop businesses or from buying ghetto enterprises from previous owners who were protected by grandfather clauses and did not have to meet the costly new regulations.

Hooks once bought a doughnut shop in Memphis from a man who had owned it for 25 years. "In those 25 years, they had passed all kinds of laws," he recalls. "You had to have separate rest rooms for men and women, you had to ratproof walls and everything on God's earth. We were hit with all those regulations, and they cost us \$30,000. We had to close the shop."

"It's obvious now," Hooks goes on, "that nobody, but nobody, is buying into a decaying black ghetto except blacks themselves. So the effect of some regulations is almost 100% to exclude blacks. This causes a lot of resentment." If a black veteran invests his nest egg in a doughnut shop and then is forced to close it, warns Hooks, he is absolutely convinced that "they"—the white-controlled Government—do not want him to succeed.

Hooks and a rising chorus of blacks argue that poor and unemployed minorities can succeed in the long run only if more private—not Government—jobs are opened in a free, growing economy. To that end, says Hooks, "at the national level, and in every local Chamber of Commerce and Better Business Bureau, black leaders and business leaders should be sitting down to deal on the points on which we agree."

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

PROPOSED REORGANIZATION PLAN AFFECTING ECONOMIC DEVELOPMENT PROGRAMS

Mr. MOYNIHAN. Mr. President, I am one of the Senators who will engage in

a colloquy today with regard to the proposal of the President, as we understand it, to merge the Economic Development Administration with a number of other agencies under a reorganization plan, and in particular to remove it from the Department of Commerce, where it is now located.

Mr. President, I speak at the very courteous suggestion of the distinguished chairman of the Subcommittee on Regional and Community Development of the Committee on Environment and Public Works, our incomparable, indefatigable chairman, the Senator from North Dakota, whose particular responsibility in this field it is—and whose specific responsibility it will be this year—to guide the renewal of basic legislation establishing the EDA through the Congress.

Mr. President, this is a matter which engages more than simply the jurisdictional interest of members of our committee. It engages us at levels of commitment and concern which I do not think are characteristic of every Government agency.

I know that my distinguished senior colleague and the chairman, the Senator from North Dakota, came to the Senate in 1960, the year John F. Kennedy was elected to the Presidency. I came to Washington as a young assistant in the Department of Labor with President Kennedy.

The chairman will recall, as I do, that one of the unanticipated events, if you will, of that 1960 campaign was the candidacy in the Democratic primary of President Kennedy, along with Senator Humphrey—both were Senators then—in West Virginia. During the course of the campaign a degree of rural and industrial poverty was suddenly revealed to the candidates and to the Nation following their progress which, in an odd way, the Nation had seemingly forgotten about. Many of us remembered, if only in general terms, the conditions of the 1930's. With the 1940's and the 1950's, and the coming of the age of affluence, as it was called, little by little that memory receded.

President Kennedy never forgot the scenes he saw in West Virginia, and he came to office committed to some national response to the situation at the time. The area was providing us with the cheapest coal in the world, but we had devastated the whole industrial work force and impoverished a beautiful and rich part of our Nation, leaving it with some of our poorest and most desperate people.

Virtually the first thing proposed by President Kennedy was the Area Redevelopment Administration, which was established in the Department of Commerce, working very closely with the Labor Department across 12th Street. The departments were in very close collaboration in this enterprise.

I recall that one of the first matters in which I became involved was the prospective closing of the whole network of hospitals which the United Mine Workers had established in West Virginia, Kentucky, Pennsylvania, and Virginia—some 20 hospitals in the Appalachian region—which were very simply

no longer viable due to the falling off of revenues and the decline of the work force in the coal mines. They were the only accessible hospitals in these parts of the country, in the particular communities where they were located. It was a very highly developed and well-conceived chain of hospitals, one supporting the other.

They were about to close, and the people in these regions were about to be forgotten.

It seemed an impossible situation when the Presbyterian Church mounted a very ambitious effort and said, "We will step in and do something; we have to have help."

Where was the help found? In the Area Redevelopment Administration. Did it come forward? It most certainly did.

It did what could not otherwise be done, something the American Government had never previously been prepared for or able to do.

If you would now ask the people of Logan, of Elkins, of Mann, of Beckley, of Bluefield, of Preston County, and of Hygeia in West Virginia what the EDA has meant to them, they will talk to you in terms of their lives, of their conditions, of their hopes. To those Americans who observed those communities as they saw the few symbols of progress and action in the modern world about to disappear, and then observed how the Federal Government, in a sensible and competent way, went about preserving them, there was a valuable lesson learned.

And this lesson remains with us, Mr. President. The EDA is an institution that has now been functioning for almost two decades. Its name was changed in 1965 to describe a more general-purpose activity. I can speak from the experience of my State: We know this agency, we respect it. It is something that works. One always respects the President's concern with reorganizing this Government, yet there is something quite disconcerting about uprooting a working and effective arrangement for the purpose of certain kinds of semantic logic—to put all the activities that appear to involve certain kinds of economic development into one box. Again, one can speak to that kind of logic, but there is also the undeniable, and ultimately more powerful logic of an agency that functions, that has a constituency of a legitimate kind, and that has a record of a proven sort.

(Mr. LEAHY assumed the chair.)

Mr. MOYNIHAN. The President has, of course, the right to do this, and we respect every bit his intention. But we rise today to urge him to reconsider, because in doing so he will be tampering with one of the most creative and productive innovations of the post-New Deal era in America social policy. I do not wish to go further than to state what my other colleagues have stated, that we care about this agency and we will defend it on the floor of this Senate if this eventuality comes about.

Mr. President, unfortunately Senator RANDOLPH, chairman of the Environment and Public Works Committee cannot be here this afternoon because of the passing of a dear friend in West Virginia. Therefore, I ask unanimous consent that

a statement by Senator RANDOLPH and two letters that he has written to the President on this subject be printed in the RECORD.

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

STATEMENT BY SENATOR RANDOLPH

I associate myself with the timely and excellent remarks of the Senator from New York (Mr. Moynihan). The administration proposal to create a new Department of Developmental Assistance is not in the best interest of our economic development programs as formulated by the Congress over the last 15 years.

The Economic Development Administration in the Department of Commerce has proved to be an effective agency in providing developmental assistance to the areas and localities of this country which have substantial unemployment and/or depressed economies. I am afraid that the good administration of this program will be lost if it is combined in a new agency with the programs of the Department of Housing and Urban Development.

Mr. President, if the administration sends this proposed reorganization forward to the Congress, I must oppose it and hope that my colleagues in the Senate will carefully consider my reasons for objection to the plan. I have written to the President twice in the last 2 months on this subject and ask that my letters be printed in the RECORD following these remarks.

The letters ordered to be printed in the RECORD are as follows:

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,

Washington, D.C., December 8, 1978.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The review and reauthorization of economic development programs will be one of the highest priority items before the Committee on Environment and Public Works during the first session of the 96th Congress.

Since their establishment in 1965, the programs of the Economic Development Administration in the Department of Commerce have been extremely valuable in both creating and maintaining employment opportunities. While these activities originally were designed to alleviate conditions of high or persistent unemployment, it has become apparent that a permanent economic development program applicable to all parts of the country is needed. Such a program would be valuable in softening the boom and bust cycles which so often afflict our national economy.

The Committee also assigns a high priority to legislation extending the Appalachian Regional Commission and the regional commissions established under Title V of the Public Works and Economic Development Act. Since their creation these commissions have provided us with important experience in intergovernmental cooperation and regional approaches to common problems.

I am concerned, however, by newspaper articles indicating that the administration is considering a major reorganization that have the result of transferring various economic development units such as EDA from the Department of Commerce to a new department created around the present Department of Housing and Urban Development. Such a reorganization, if carried out, would have a negative impact on the Committee's ability to meet its legislative responsibilities during the next year. I also feel it would have a debilitating effect on the progress of local economic development in this country.

As Chairman of the Senate committee with jurisdiction over economic development programs I have worked against allowing an

urban/rural or inter-regional debate to develop. Such discussions are almost always unproductive, inflammatory, and miss the point that prosperity for one area at the expense of others must be avoided. It was, in fact, to diffuse the growing trend toward economic competition that in 1976 I proposed a White House Conference on Balanced Growth and Economic Development. I am concerned that a reorganization plan which shifts EDA into even a modified Department of Housing and Urban Development would significantly exacerbate urban/rural tensions and would rekindle the Sunbelt/Frostbelt controversy.

Since it was established 13 years ago, EDA has demonstrated an ability to cut red tape, avoid bureaucratic entanglements, and provide needed aid rapidly. Merging it with other programs that have historically experienced problems in providing such responses to problems might hamper rather than improve the delivery of Federal economic development assistance.

I am concerned that a reorganization plan such as the one currently reported could delay progress in local economic development efforts for at least a year. Clearly a proposal of this importance would require extensive consideration by the respective congressional bodies. Additional time would be required to implement the reorganization if it were approved. During this time the affected Federal agencies may not be able to properly carry out their missions. The result for communities eager to work with the Federal government to accomplish economic development gains would be delay and discouragement.

There are opportunities for strengthening economic development programs other than those included in the proposed reorganization plan. I do not necessarily believe that the status quo is appropriate for the future. It would be highly appropriate to consider alternatives which would retain EDA within the structure of the Department of Commerce where its programs could be carried out in coordination with other departmental activities such as foreign trade and industrial productivity. Programs of other agencies dealing with community or economic development could be shifted to the Department of Commerce to complement its authority in this area. Throughout the entire reorganization procedure we must be aware of those activities of the Federal Government which are directed broadly at economic or community development as opposed to those which deal with special issues such as housing, transportation, or water and sewer service. The two are not necessarily the same and therefore do not necessarily need to be within the same organizational structure.

Because of the importance of these programs to the economy of the nation and their potential for helping to achieve your overall economic goals, I hope that you will give very careful consideration to all aspects of any reorganization proposals that may come before you.

Truly,

JENNINGS RANDOLPH,
Chairman.

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,

Washington, D.C., January 30, 1979.

The President,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As expressed in my letter of December 8, 1978, I am deeply concerned about the proposed reorganization of the Economic Development Administration from the Commerce Department to a new Department of Developmental Assistance. I have discussed this matter with many people who are involved in the area of economic development. Based upon those conversations I am again led to the conclusion that this reorganization will not prove useful and will be disruptive of programs administered

by the Economic Development Administration which have been of great value in meeting the developmental needs of this nation.

As Chairman of the Senate committee with jurisdiction over public works and economic development, I am concerned that this reorganization will work toward allowing a urban/rural or inter-regional debate to begin. Issues of this type do not lead to a productive debate but fuel fires of competition which limit positive development and growth. I cannot believe that this administration wishes to foster or rekindle the Sunbelt/Frostbelt issue.

The Economic Development Administration over the last 14 years has proved to be valuable as it administers programs and devotes its energies to meeting the developmental goals of our underdeveloped communities and areas. It has been able to provide assistance rapidly by minimizing red tape and providing simplified regulations which do not frustrate the goals established for economic development by the Congress. A proposed merger with programs administered by the Department of Housing and Urban Development and other agencies would not continue this good work which can be accomplished if EDA remains in Commerce. Such a move might well frustrate rather than improve our federal economic development assistance.

Mr. President, I am deeply concerned about the future of our economic development program as it relates to our smaller communities and rural areas. I do not believe that the reorganization as proposed by your staff will be as efficient and effective in meeting needs as is the current situation.

I urge that you carefully consider this proposal and that you consult with Members of Congress carefully and fully before submitting this proposed reorganization. I know that you will give careful consideration to the issues which I have raised before you make your final decision.

Truly,

JENNINGS RANDOLPH,
Chairman.

Mr. MOYNIHAN. Mr. President, I ask that my own prepared statement in this colloquy be printed in the RECORD.

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

STATEMENT BY SENATOR DANIEL PATRICK
MOYNIHAN

Mr. President: There have been reports, and a mention in the President's State of the Union message, of reorganization of federal economic development programs. We have yet to receive the President's recommendations, but the promise is there to expect them soon. I applaud the President's purpose to make government work better, and I assume certain changes will have to be made to accomplish this purpose.

Without the specifics, it is certainly impossible to make an informed judgment on one or another of the ideas which have been written about. What is possible, at this time, is a word or two of caution.

Reorganization—especially, as one proposal would have it, the creation of a new department—is a large undertaking, whose probable effects should be carefully studied before implementation. It is an act at least as difficult to undo as it is to get done. In this case, it is an act which would necessarily benefit from the examination by the appropriate Congressional committees.

The Reorganization Act of 1977 gives the Congress 60 days to disapprove an Executive branch recommendation, a procedure which in some instances is useful and appropriate, but which does not benefit from the usual process of sober investigation. A major reorganization proposal would surely be more

successful if it had behind it a firm record of congressional inquiry and support.

My next concern is more specific. It is brought about by my membership on the Regional and Community Development Subcommittee of the Committee of Environment and Public Works. This committee has jurisdiction over the Economic Development Administration which is now housed in the Department of Commerce and, I believe it should stay there.

A word of caution is needed here also. The impulse to rationalize government, to give a neat, hard edge to the organization chart, should not be seen as an end in itself. Such a process may create the very opposite effect from what is intended. We may end up with a government agency of less effectiveness than the one we now have.

Let me now restate what is, I believe, well known. The Economic Development Administration is very highly regarded. It does its job well. And, its administrator, Mr. Robert T. Hall, Assistant Secretary of Commerce for Economic Development is one of the most able public servants I have come across in my many years in Washington. These very facts are enough to convince me that EDA should stay where it is, do what it is now doing, and receive more support from the Congress. The result of EDA's success should be not dismemberment or merger, but perhaps enlargement and encouragement. As the saying goes, "If it ain't broke, don't fix it." EDA needs no fixing.

One final thought. As Assistant Secretary of Labor in President Kennedy's Administration, I had frequent occasion to work on projects with the Area Redevelopment Administration, which was EDA's predecessor agency, located—as is EDA—in the Department of Commerce. In particular I helped secure a loan, with the help of ARA, to save the Mineworkers hospitals from closing in the Appalachian Region. This was the first time a problem of this nature was brought to us and the ARA worked quickly, effectively and creatively to solve it.

EDA's great strength is its work with the private sector; its capacity to aid economically distressed areas is immeasurably strengthened by the full resources of the Commerce Department, with its strong relationship without nation's businesses and its resources in the areas of export promotion, technology development, industrial productivity, and the gathering and analysis of economic data. Our central economic development agency has always been in the Department of Commerce. It is there now and there it should remain.

Mr. MOYNIHAN. Mr. President, I see that the chairman of our subcommittee is on his feet. I wish to yield to him but not before imposing upon him a moment of tribute for the work he has done and to take the opportunity to say what an honor it has been to serve with him. I wish also to note that yesterday, as we set about organizing the committee, there was one subcommittee of the Committee on Environment and Public Works to which it seemed that everybody wished to belong—not simply because of the substance of the matters at hand, but because of the leadership of the committee itself. That is precisely the Subcommittee on Regional and Community Development, of which Senator BURDICK is the chairman.

I thank the Chair for his courtesy, and I look forward to listening to my chairman's remarks.

Mr. BURDICK. Will the Senator yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. BURDICK. Mr. President, first, I should like to thank the able Senator

from New York for those kind words, and I should like to be associated with his remarks.

Mr. President, I do not look with disfavor on periodic reorganization of Federal agencies and programs. If we can improve the responsiveness of the Federal Government to our citizens at less cost through reorganization proposals, I favor that as an operating principle.

But, as I examine more closely the proposals being discussed, I have grave doubts that they are timely or will accomplish more good than harm. At a minimum they will cause extensive delays in the delivery of existing programs.

I am chairman of the Environment and Public Works Subcommittee on Regional and Community Development. This subcommittee has responsibility for the economic development programs of the Economic Development Administration and the title V regional commissions. These activities are authorized by the Public Works and Economic Development Act (PWEDA). That act expires this year. In the process of reauthorizing these agencies and their programs, we had hoped to substantially revise the act. Over the years since 1965, a variety of new programs and functions have been added to it to keep pace with the changes in our economic and demographic life.

Mr. President, I am concerned that a reorganization proposal that would place these programs in a new department built essentially upon the Department of Housing and Urban Development would not be approved by the Congress. At the same time, its consideration by Congress will virtually co-opt the time available to thoroughly consider legislation to reauthorize EDA.

In my judgment, the most important need is to clarify and revise the economic development functions in the Department of Commerce. I believe that EDA can best carry out its mission in that Department. Economic considerations are the principal business of the Commerce Department, and economic development is most effective when linked to such considerations. Commerce is the only Department where economic development is buttressed with economic-related functions such as export promotion, technological development, industrial productivity, and economic statistics and analysis. Furthermore, the prime constituency of the Commerce Department is the private sector of the economy. The most important constituency for Federal economic development efforts is the private sector, where jobs are provided in productive enterprise and where they are permanent.

I agree with Chairman RANDOLPH, who has written the President that he fears the proposed new department would result in an increase in rural-urban tensions and rivalries among the Nation's regions. The chairman of the House and Senate Agriculture Committees have written the President indicating their firm opposition to proposals for a new Department of Natural Resources and a new department bringing together economic and community development functions.

In one passage of their letter, they quote the famous oceanographer Cousteau, who apparently was asked to comment on the new Department of Natural Resources as it affected the oceans. He said:

We do not believe that the best solution is necessarily to concentrate the responsibility of solving problems with far-reaching consequences for the daily life of our citizens under the umbrella of one single organization. . . . It is often constructive for one such organization to present policies which are substantially different from those of others. Healthy conflicts can be fruitful. In other words, over-centralization presents the danger that a proposed policy which might appear logical from the point of view of one agency might be harmful because the decision lacks input from another.

Mr. President, those sentiments express my feelings exactly. Reorganizations do not insure efficiency and better management. I am struck by the coincidence of GSA's problems today and arguments for the consolidation of programs into superagencies. We all remember that GSA was to consolidate into one place the various housekeeping functions of the Federal Government. They would buy all the pencils and all the desks, et cetera. The question in my mind is how much more this approach has cost the taxpayer over the years than if every agency and department had been buying their own pencils and desks.

In closing, I believe the President is making a mistake in sending these proposals to the Congress for approval. If each fails, and I believe they will, much valuable time will be wasted—time that this new Congress needs to get on with the important legislative agenda we have this session. And if these proposals fail, I believe we may not see new reorganization initiatives from the White House for some time—and that would be unfortunate.

Mr. MOYNIHAN. Will the Senator yield?

Mr. BURDICK. I yield.

Mr. MOYNIHAN. I congratulate him on his statement and call attention to a particular point he made about urban-rural tensions and the efforts that are sometimes made seemingly to divide us along this spectrum. The Senator will not fail to acknowledge that North Dakota is very much a rural part of our Nation. New York is an urban one in many respects. West Virginia, the State from which our distinguished majority leader and our beloved chairman come, is a State in between—a State that has its rural areas, but most of its work force is industrial, and moving up into the Pittsburgh region. We like the EDA where it is. On our committee, we can talk about these regional legislative interests and resolve them.

We are in different parts of the Senate's jurisdiction and we have worked together well. It is a rare day we do not have unanimous agreement on our subcommittee. That is not just due to the work of the distinguished chairman, it is due to the fact that there is among us a way of harmonizing interests that conflict.

I want to concur in what the able Senator said—that New York and North

Dakota get along very well. I do think they get along very well with the present setup in the EDA.

I cannot imagine anyone who would not get along well with the chairman from North Dakota.

I see our majority leader on the floor. I remind him of something said earlier, because this matter may come to us, though I hope it will not, Mr. Leader. The EDA, which we are talking about, derives from the Area Redevelopment Administration, which President Kennedy committed himself to in 1960 when he went to West Virginia in that great primary. It is one of the great achievements of social policy in the post-New Deal era.

I remember, I was a young Assistant Secretary of Labor when a group of Presbyterian clergymen came to me in 1962 and said that great chain of hospitals which the United Mine Workers built in the 1950's, of which there were nine, I believe, in West Virginia itself, was about to close down because the work force of the mines had dropped off so much that contributions to the hospital fund could not sustain the system.

It was going to be a tragedy. It was going to close medical facilities available to one of the largest and most poverty-stricken regions in our country. It was to be as if having finally achieved something, it would be taken away from them, and where would they turn? How could we keep those hospitals, we asked.

We went to the Area Redevelopment Administration. They had not just the authority, but the creativity and the energy to do it. Those hospitals are there today, strengthened not 1 year ago by a new grant from the Economic Development Administration.

If I may paraphrase a man who was briefly in this town and left one memorable phrase behind him, "If it ain't broke, don't fix it."

I thank my distinguished chairman.

Mr. HOLLINGS. Mr. President, although I support Government reorganization in principle, I do not believe the proposed reorganization option to remove the Economic Development Administration from the Department of Commerce would improve Federal economic development efforts. Since the Carter administration team took over, I have worked closely with Secretary Kreps as well as with Assistant Secretary Bob Hall, who accompanied me to Charleston last year to review economic development activities there. As a result, I feel particularly knowledgeable about EDA, its activities, and its relation to the rest of the Commerce Department.

It is my opinion that generating private sector jobs—not make-work publicly supported activities—is the key role of an economic development agency. I also believe that the success of local efforts to generate such jobs are closely tied to broad economic issues. Our competitive trade position, for example, has a tremendous influence on the ability of domestic firms to stay in business or expand and contribute to an area's economic development.

The Commerce Department is the Federal Department with responsibility for working with the private sector. It also

has major responsibility for export promotion, technology development, and industrial productivity. Each of these areas relates directly to the success of EDA's efforts to generate jobs in depressed areas. To me, it is obvious that EDA is where it belongs. It is in a Department oriented toward the private sector and with other economic responsibilities. Moving it to a department with socially oriented housing and community development programs would hinder, not improve, Federal economic development efforts.

As the chairman of the subcommittee overseeing the Commerce Department's appropriations, I personally am pleased with the work of EDA under the current administration. The Agency has moved forward on a number of key fronts, including increasing its programs to focus on urban needs in addition to its traditional and continuing work with rural areas. EDA has demonstrated an ability to respond rapidly and effectively to local needs. It has also made substantial progress in coordinating its efforts with those of other Federal programs.

My question is why tamper with success? We should build on EDA within the Commerce Department, where economic development programs can be linked to the private sector and other activities related to economic and not social issues.

LIMITATION ON FEDERAL SPENDING

Mr. HEINZ. Mr. President, I rise this afternoon to discuss with my colleagues a matter that I think confronts our Congress and our country with increasing importance. The fundamental issue is no less than the role of Government in our society and what we seek for our country, and for our posterity.

I think we all followed with great interest the debate regarding the fiscal 1980 budget that has developed over the last several months, a debate which, notwithstanding some of the dramatics on the part of a few of the actors, is a debate that has now seemingly shrunk away into a modest discussion. Liberals are whispering in the anteroom that the President's budget is not as harsh as it could have been, while conservatives are saying, "Well, at least it is a step in the right direction."

What was unveiled in January was a budget with a deficit of \$29 billion, an increase in spending of more than \$38 billion, a 7.7 percent increase over the last year. Yet, this is claimed to be an austerity budget.

I find it ironic that the President himself asked for voluntary price restraints in the neighborhood of 5½ percent on all the rest of the country. Then he comes to us with what he calls an austerity budget that increases spending not 5½ percent, but nearly half again as much—7.7 percent.

But worse, I suppose, I fear that the people of our country may falsely assume that what has been discussed has been debated, that what has been read has been thought about, and that what we will be acting upon in the Congress will

have a longlasting influence, and a beneficial one, on our country and our people.

I wish that were the case, Mr. President. But, in all candor, the fact is that a Federal Government, a bureaucracy, and a budget that have grown fourfold or fivefold over the last 15 or 16 years, are not going to be restrained noticeably over the course of a decade or a generation by continued \$29 billion budget deficits and a 7.7-percent increase in Government spending.

What will happen next January? What kind of a budget will we have then? What kind of a role will we have for the Federal Government? Will it be an ever-increasing proportion of our gross national product? Will the Federal Government become larger and larger in each of our daily lives, is that what the people want?

In Wisconsin this year they elected a Governor who ran on the platform that he believed the role for the Federal Government was to defend the shores, deliver the mail, and stay the hell out of our lives. Wisconsin is, traditionally, one of the more liberal, populist States in the Union. If that is what Wisconsin wants, what does the rest of the Nation want?

Mr. President, I think what the Nation wants is not just a little political rhetoric in a pre-election year from the President and the Congress. I think what the Nation wants is a commitment that can be measured each and every year by our deeds, not just by our promises and words.

I have served in the Congress some 7 years, 5 years in the House, now beginning my third year here in the Senate. I have great love and great respect for the Congress and my colleagues in both parties. I have more hopes for them as well as for the country. But I am deeply concerned that those hopes may never be realized as long as we proceed on the course we have chosen, and that course is one that still invites—indeed, promotes—too much, too expensive, too heavy-handed a Government at the Federal level.

That is why I rise today, Mr. President, because I want to take this opportunity to inform my colleagues of my intention to introduce a constitutional amendment to restrict the growth of Federal spending to the gains in the gross national product. The amendment I plan to introduce will not limit growth or even the growth of the Federal Government.

I am a realist. I know that ours is a dynamic and increasingly complex society; and I do not expect—indeed, I would not want to see—a Government constrained so that it could not meet the legitimate needs and aspirations of our people.

We need a national debate, not a mild discussion or whispers in the cloakroom. That is why, in order to elevate the national debate to our highest possible level in the most important legislative body on earth, I will be introducing the constitutional amendment I have just described. I think this gives the Nation an opportunity not just to debate, but also to act in a responsive and responsible manner.

Mr. President, the amendment to which I refer is one that has been de-

veloped by a number of academicians and prominent practitioners who have devoted their efforts toward a more thoughtful and comprehensive response. The fruits of this effort were reported recently in the New York Times, and I ask unanimous consent to have that article printed in the RECORD.

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

A TAX GROUP URGES AMENDMENT LINKING SPENDING TO G.N.P. GAIN (By Warren Weaver, Jr.)

WASHINGTON, January 30.—A new proposal to combat inflation, a constitutional amendment that would tie increases in Government spending to the nation's economic growth, was unveiled today by a committee of relatively conservative businessmen and economists as an alternative to requiring a balanced Federal budget.

The plan by the National Tax Limitation Committee is considerably more sophisticated than the budget-balancing amendment that has received preliminary approval from 24 state legislatures, which have voted to hold a constitutional convention to approve it.

Basically, the new amendment would bar Congress from increasing overall spending by a rate any larger than the most recent rate of increase in the gross national product. It would apply even tighter restrictions whenever the rate of inflation exceeded 3 percent, a low figure by current standards.

It would also require Congress to apply any Federal surplus to reducing the national debt, authorize emergency spending increases in case of war or a comparable crisis and permit an increase in the general spending limits, but only after a two-thirds vote of both houses of Congress and approval by 26 state legislatures.

CALLED EASIER TO IMPLEMENT

Its sponsors said at a news conference that such an amendment would be much more effective in holding down Government growth and spending without tying the hands of Congress and that it would be much easier to carry out than a constitutional edict that spending cannot exceed revenue.

Dr. Milton Friedman, the Nobel Prize economist who was one of the authors of the amendment, said it was "enormously likely" that Congress would take action in the area of broad controls on inflation this year because "they're under the gun, they're aware of the vast public sentiment for something like this."

Congress, however, will probably be reluctant to approve a new fiscal system that circumscribes its present control of the appropriation process, and the White House, although it has no direct role in amending the Constitution, may prove sympathetic to such resistance.

Officials of the tax limitation committee said they would prefer to see their project approved by Congress and then ratified by the necessary three-fourths, or 38, of the state legislatures. All amendments to the Constitution have been ratified by this process since the first 10 were ratified in 1791.

CONSTITUTIONAL CONVENTION

The alternative procedure for changing the Constitution, upon which backers of the balanced budget amendment are relying, requires two-thirds, or 34 states to approve resolutions calling for a constitutional convention. One or more amendments produced by that convention would also require ratification by three-quarters of the states to become effective.

There are no provisions in the Constitution or Federal law as to how delegates to such a convention would be apportioned or chosen,

how its agenda would be determined and what rules of procedure would govern its deliberations.

Pressure is mounting on Congress to lay out all these ground rules in new legislation, on the widely held assumption that 10 more states may approve the budget-balancing resolution this year, forcing the calling of such a convention.

At the same time, even more pressure exists to avoid the necessity of holding such an unprecedented session at all through swift Congressional approval of an alternative amendment covering the same general ground, perhaps the spending limit announced today.

SPONSORS ARE EXPECTED

Backers of the new amendment said they had not yet obtained sponsors to introduce it in Congress but did not expect any problem. They maintained they would not participate in any political competition with sponsors of the budget-balancing amendment but only wanted to broaden public debate on the issue.

Under the present system, Dr. Friedman said, special interest groups compete for the favor of Congress and total spending inevitably goes up. Under the proposed amendment, the same competition would occur but for shares of a constitutionally limited amount of money.

Specifically, the amendment would limit the percentage increase in Federal spending to the percentage increase in the previous year's gross national product, the measure of all the nation's goods and services. If the inflation rate exceeded 3 percent, the allowable spending increase would be reduced by one-quarter of the number of percentage points by which the inflation rate exceeded 3 percent.

"RATCHETING DOWN" ECONOMY

For example, an inflation rate of 7 percent would exceed the constitutional limit of 3 percent by 4 percentage points, so the next Congress could not increase spending by the full percentage growth in the gross national product, but by percentage point less, "ratcheting down" the economy, as Dr. Friedman expressed it.

The National Tax Limitation Committee, based in California, has been working for a half-dozen years on this kind of spending limit mechanism and five states have written various forms of it into their constitutions.

Among those helping draft the new amendment, in addition to Dr. Friedman, were Robert Bork, former Solicitor General; James B. Edwards, former Republican Governor of South Carolina; James T. Lynn, former director of the Office of Management and Budget; Paul W. McCracken, former chairman of the Council of Economic Advisers, and Charles E. Walker, former Deputy Secretary of the Treasury. All the Federal officials served under two Republican Presidents, Richard M. Nixon and Gerald R. Ford.

Mr. HEINZ. Mr. President, the efforts go back over a 6-year period and have been headed most recently by a Nobel Prize-winning economist, none other than Dr. Milton Friedman, of the University of Chicago.

The amendment I propose will allow Government to grow in real terms, but it will not allow Government to grow as a real proportion of our gross national product, of our resources, of our wealth, or of its involvement, therefore, in our lives.

The approach of introducing a constitutional amendment may not be the best approach we can devise. I would much rather that Congress, itself, had the discipline to control spending. But here we

are, 4 years after the Budget Act created our Budget Committees; and in spite of valiant efforts to the contrary, the fact is that our Government has grown in those 4 years, is bigger, more omnipotent, and less sensitive than ever before. So I believe the time has come for action.

It is true that a number of other measures either have been contemplated or introduced in Congress to attempt to control spending or to control deficits. The distinguished junior Senator from Indiana (Mr. LUGAR) has an amendment that, as I understand it, would eliminate any budget deficit, and that is a praiseworthy goal. However, I note that even an approach that eliminates the Federal deficit does not necessarily carry with it the important tool of being able to guarantee a limitation—indeed, a reduction—in the growth of Government. It is possible to tax more and to spend more to balance the budget; in taxing more, to eliminate the deficit; in spending more, to increase the role of Government in our lives. This is why I have opted for an approach that limits spending and, therefore, the size and power of Government.

I also believe that the group headed by Dr. Friedman has used the highest levels of technical expertise and effort, the greatest amount of sophistication, to respond truly to this enormous problem. This is why, as part of this constitutional amendment which limits any increase in Government spending to the Nation's economic growth, this amendment includes a prohibition on Congress from increasing the overall spending by a rate any larger than the most recent increase in the gross national product; and when the inflation rate exceeds 3 percent, even tighter limits are applied.

Second, the amendment requires Congress to apply any Federal surplus to reducing our staggering national debt, currently at \$800 billion, the debt service on which is one of the largest items in the President's so-called lean, mean budget.

The amendment also authorizes emergency spending increases in times of war or similar crises; and because we know the future to be uncertain, it also allows an increase in general spending limits after approval by two-thirds of both Houses of Congress and a majority of the State legislatures.

Mr. President, the Committee on National Tax Limitation that has been at work and is polishing the final language of this constitutional amendment deserves to be highly commended, as does the leadership of Dr. Friedman. They have been working to respond to the message sent by the overwhelming majority of the people of this country, which is this: control government, control its power, control its interference, and control it by controlling its purse strings.

There has been difficulty, notwithstanding the efforts of the Budget Committee and others, in finding a method of controlling spending which would simultaneously help reduce inflation and allow the private sector to grow and expand. We need real jobs, not just make-work jobs in our economy, and we need to allow for emergency spending in-

creases in times of war and other crisis situations.

The work of the National Tax Limitation Committee is most commendable in developing these concepts, and I look forward to working with them in completing the drafting and introduction of this amendment, which, as I said a moment ago, I do intend to offer.

Mr. President, I ask unanimous consent that the proposed text of the constitutional amendment be printed in the RECORD.

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

PROPOSED TEXT

Section 1. To protect the people against excessive governmental burdens and unsound fiscal and monetary policies, total outlays of the Government of the United States shall be limited. Total outlays in any fiscal year shall increase by a percentage no greater than the percentage increase in nominal gross national product in the last calendar year ending prior to the beginning of said fiscal year. If inflation for that calendar year is more than three percent, the permissible percentage increase in total outlays shall be reduced by one-fourth of the excess of inflation over three percent. Inflation shall be measured by the difference between the percentage increase in nominal gross national product and the percentage increase in real gross national product. Total outlays shall include budget and off-budget outlays, and exclude redemptions of the public debt and emergency outlays.

Section 2. When, for any fiscal year, total revenues received by the Government of the United States exceed total outlays, the surplus shall be used to reduce the public debt of the United States until such debt be eliminated.

Section 3. Following declaration of an emergency by the President, Congress may authorize by a two-thirds vote of both Houses of Congress, a specified amount of emergency outlays in excess of the limit for the current fiscal year.

Section 4. The limit on total outlays may be changed by a specified amount by a three-fourths vote of both Houses of Congress when approved by the legislatures of a majority of the several states. The change shall become effective for the fiscal year following approval.

Section 5. For each of the first six fiscal years after ratification of this article, total grants to states and local governments shall not be a smaller fraction of total outlays than in the three fiscal years prior to the ratification of this article. Thereafter, if grants are less than that fraction of total outlays, the limit on total outlays shall be decreased by an equivalent amount.

Section 6. The Government of the United States shall not require, directly or indirectly, that states or local governments engage in additional or expanded activities without compensation equal to the necessary additional costs—implications re any new law and regulations.

Section 7. This article may be enforced by one or more members of the Congress in an action brought in the United States District Court for the District of Columbia, and by no other persons. The action shall name as defendant the Treasurer of the United States, who shall have authority over outlays by any unit or agency of the Government of the United States when required by a court order enforcing the provisions of this article. The order of the court shall not specify the particular outlays to be made or reduced. Changes in outlays necessary to comply with the order of the court shall be made no later than the end of the third fiscal year following the court order.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

APPOINTMENTS TO COMMITTEE TO ATTEND MEMORIAL SERVICE FOR FORMER VICE PRESIDENT ROCKEFELLER

The PRESIDING OFFICER. The Chair, pursuant to the provisions of Senate Resolution 28, appoints the following Members of the Senate as the committee to attend the memorial service for former Vice President Nelson A. Rockefeller: Senators ROBERT C. BYRD, BAKER, JAVITS, MOYNIHAN, BUMPERS, CHAFEE, DANFORTH, DOLE, GOLDWATER, HEINZ, LUGAR, MATHIAS, MCGOVERN, MUSKIE, PELL, PERCY, PRESSLER, RANDOLPH, SCHMITT, and WILLIAMS.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 81-754, as amended by Public Law 93-536, appoints the Senator from Rhode Island (Mr. PELL) to the National Historical Publications and Records Commission.

The Chair, on behalf of the Vice President, appoints the Senator from Illinois (Mr. STEVENSON) to attend the Third Preparatory Committee Meeting, United Nations Conference on Science and Technology for Development, to be held in New York City, January 22-February 2, 1979.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I note the presence of the distinguished Senator from Utah (Mr. HATCH) on the floor. I would like to ask how much time he feels he would use in speaking?

Mr. HATCH. I would need only a few minutes, only 5 minutes, just to put some things in the RECORD.

ORDER FOR RECESS FOR 1½ HOURS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senator from Utah completes his remarks the Senate stand in recess for 1½ hours.

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

TIME FOR A CHANGE IN TAX POLICY

Mr. HATCH. Mr. President, the Labor Department reported a few days ago that consumer prices rose last year at a rate of 9 percent, making 1978 the second worst year for inflation since the postwar period. Today's dollar buys less than one-half the goods and services that could be purchased for the same amount in 1967. And most economists agree that future inflation will not improve dramatically in the months, and possibly years, ahead.

Where have we gone wrong? We are told that the only alternative to inflation is recession and unemployment, and "stagflation" has become a common term in the American vocabulary.

Mr. President, I believe that the Government is largely responsible for our economic plight. We have based too much of our economic policy on false assumptions and indefinite promises. We have tried to find answers by applying old formulas that have never really proven worth while. The intentions of our leaders have been honorable but their success has been lacking.

The time is past due for our country to seek better answers, to seek a new direction in economic policy. We can no longer accept past policies without question. We can no longer pretend that Government can produce prosperity by manipulating economic levers.

Our Nation's tax policy has become a major vehicle for controlling much of our economic destiny. It has also been a cause of much of our economic trouble. The tax structure has increasingly become a disincentive to produce, leading our economy deeper and deeper into the mire of stagflation. In a column in a recent issue of the Wall Street Journal, Dr. Paul Craig Roberts outlines some of the effects created by our outmoded approach toward tax law. Dr. Roberts warns policymakers about the pitfalls of following a tax policy that will merely buy us another ticket on the "roller coaster" of inflation and recession.

Mr. President, I ask unanimous consent that the article entitled "The Tax Brake" from the January 11, 1979, issue of the Wall Street Journal be printed in the RECORD at this point.

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

THE TAX BRAKE (By Paul Craig Roberts)

Keynesian economics began its career full of confidence that if only politicians would accept deficits and the use of the government's budget to manage demand, economic stability would be assured. It was all to be so easy. Whenever demand wasn't sufficient to maintain full employment, government budget deficits would pump up spending and take up the slack in the economy. Whenever spending was so high as to threaten inflation, government budget surpluses would restrain demand.

Today Keynesian economics, the basis for economic policy for the past two decades, is mired in stagflation. The hopes are gone, and the confidence shattered. Unappealing "Phillips curve" trade-offs between inflation and unemployment march back and forth over the shredded banner of economic stability. Today pumping up demand pumps

up the price level, and restraining spending pumps up unemployment. Faced with defeat on one front or the other, the policymakers offer the people austerity. Selfishness, Keynesians say, is the cause of it all. Labor and business take advantage of demand stimulus to raise wages and prices. Inflation is worsening because people are becoming more selfish.

The exhaustion of Keynesian thought has led to controls, touted as the answer to selfishness. But the real problem is that the Keynesian doctors have been treating only half of the economy. Demand has been managed, but the factors governing the responsiveness of supply to demand have been ignored. Fine-tuning large macro-aggregates took Keynesians away from the foundation of economic science—the effects of prices on behavior. The study of how prices affect behavior was relegated to microeconomics, a smaller concern. In the Keynesian view, production responds to prices in individual markets, but, over all, demand is king.

It was in this way that Keynesians came to ignore the two most important prices governing production. One is the price of leisure in terms of forgone current income, and the other is the price of current consumption in terms of forgone future income. The lower these prices are, the lower production will be.

Both prices are affected by the tax rates on additional earnings. The higher the marginal tax rates, the lower the after-tax rates of return to additional work effort and investment, and the cheaper leisure and current consumption are in terms of foregone income.

In short, high tax rates encourage leisure and consumption and discourage work and saving. This means that, as tax rates rise, supply responds less to an increase in demand. A decline over time in the responsiveness of supply to opportunities to sell is consistent with the rising rate of inflation that has accompanied expansionary monetary and fiscal policies.

For a decade the tax brake has been increasingly applied to production while demand has been stimulated. U.S. Department of Commerce statistics show that the effective tax rate on corporate income has risen significantly over the last decade. And IRS statistics show that the growth of income has moved more and more people into higher brackets. Demand has spurted while supply has lagged.

In an economy with a progressive income tax, the higher the price level, the greater the tax bite on additional earnings. The more rapid the increase in the price level, the quicker the tax bite grows. Corporate income does not escape this effect. Inflation causes the firms' books to understate the cost of inventory, plant and equipment used up in production, thus reporting costs as taxable income. Since tax rates rise with inflation, inflation automatically applies the tax brake to production.

The tax brake is different from the Keynesian idea of "fiscal drag." Fiscal drag results from rising tax rates cutting into disposable income or effective demand, thus hindering spending. The tax brake, however, results from rising disincentives to produce additional income. It applies to production on the supply side of the economy and not to spending on the demand side of the economy.

The tax brake requires that we refine some influential concepts. Whether there is excess capacity or excess demand depends on the rate at which additional income is taxed. If these rates are high, there can be excess demand even though there is excess capacity in the physical sense, as productive factors remain idle for lack of incentive. With income support programs, high marginal rates of taxation on income, and low after-tax returns to saving and investment, it is not surprising that efforts to spend away unemployment only drive up the price level. Stag-

flation is simply a result of people's responses to the incentives established by government policies.

Studies by Martin Andersen at Stanford and Martin Feldstein at Harvard show that in the U.S. the highest tax rates are borne by people who attempt to get off welfare (as a result of loss of benefits) and by owners of capital (as a result of taxation of nominal gains), while in Sweden high tax rates have driven people so deep into leisure that policymakers are discussing ways of taxing it. Such are the consequences of ignoring the prices that govern production. Before U.S. policymakers propose to fight leisure by taxing it, we should release the tax brake and establish an incentive structure for economic growth.

SALT II

Mr. HATCH. Mr. President, as we begin this 1st session of the 96th Congress, many issues are facing the Members of this august body. To the majority of us it will be a renewal of the battles fought in the 95th Congress. To our freshman class it will be an opportunity to inject their viewpoints on the issues they feel strongly about. To all of us here today one thing is certain no matter how controversial the issues, and that is, that we meet to resolve these issues and attempt to bring about a more economically and efficiently run Government of these United States.

One of the issues that will most likely face this Congress will be the ratification of a new strategic arms agreement. SALT II is now in the final stages of negotiation between the United States and the Soviet Union. This agreement may well determine the future course of world history. SALT II could be the pivoting factor in the thrust for continued freedom by the Western World.

The SALT negotiations have caused me a great deal of concern over the negotiation posture of the United States vis-a-vis the Soviet Union. It is my opinion that we are coming out on the short end of the deal with the treaty as now proposed. There are four areas that we need to discuss and make certain that we remain firm on in order to maintain at the very least equality with the Soviet Union. They are:

First. The posture and survivability of our land-based ICBM force.

Second. The continued improvement and modernization of both our SLBM and bomber force.

Third. The guarantee that we have the ability to deter a nuclear war; but if such an event should occur, have the ability to survive such a conflict.

Fourth. Prevent the growing asymmetry between the United States and the Soviet forces from expanding.

No single leg of the strategic triad has come under more fire in the last 2 years than the land-based ICBM leg. The Minuteman III is the backbone of this force. At the present time there are 550 Minuteman III's, 450 Minuteman II's and 54 Titan missiles. This total of 1,054 constitutes the entire land-based ICBM force of the United States. Their survivability in the future is essential to the United States' ability to deter a nuclear war. Yet it is their survivability that has

caused the debate over this leg of the triad.

Land-based ICBM's are generally acknowledged as the most potent of a nation's strategic forces. These are the weapons with the greatest accuracy and largest throw-weight. In simple terms, it is this leg of the triad that can knock out another nation's land-based force. They have what is known as silo-busting power, even against hardened sites. It, therefore, becomes prudent to examine what the other side has with respect to what it would take to render our forces vulnerable.

I ask unanimous consent to have printed in the RECORD a table showing land based multiple independently targeted reentry vehicles of the United States and the Soviet Union, designated "Table I".

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

TABLE I.—MULTIPLE, INDEPENDENTLY TARGETED RE-ENTRY VEHICLES (MIRV'S)

(Land-based missiles—SALT ceiling 820)

United States:		
Minuteman III ¹	3 MIRV's×550.....	1,650
Total U.S. MIRV's.....		1,650
Minuteman II.....	450 single RV's.....	450
Titan II.....	54.....	54
Total U.S. re-entry vehicles.....		2,154
U.S.S.R.:		
SS-18 ²	10 MIRV's×309.....	3,090
SS-19.....	6 MIRV's×400.....	2,400
SS-17.....	4 MIRV's×111.....	444
Total U.S.S.R. MIRV's.....		5,934
Single RV's: ³ SS-11/SS-13.....	1 MT.....	589
Total RV's.....		6,523

¹Because of the Minuteman III production is essentially closed, the United States will be limited to effectively 550 MIRV's on land-based ICBM's regardless of ceiling.

²Under the terms of the proposed agreement the United States is precluded from having any new heavy ICBM's equivalent to the SS-9/SS-18's.

³According to some reports the treaty will stipulate that any booster of a type which has been tested with MIRV will thereafter always be considered a MIRVed missile booster. If this report is correct, the Soviets will be required to use the older SS-11/SS-13 to make up the difference between 820 and 1,809 or develop an entirely new ICBM.

⁴Because of their large throw-weight capability, all Soviet MIRV's have a much larger yield than the Minuteman III's (Minuteman III has 170 kt compared to 1-Mt for most Soviet systems).

Mr. HATCH. As can be readily seen in table I, the Soviets have a 3-to-1 advantage in RV's launched from ICBM's. This would permit them to expend approximately 4,300 RV's in a first strike against the U.S. land-based ICBM force, holding another 2,200 RV's in reserve. Assuming a 90-percent hard-kill capability with four RV's per target, the U.S. force would be virtually destroyed.

The United States has on the drawing board a new ICBM known as the MX. If this missile is to be used as a follow-on to the Minuteman, a new basing mode will have to be utilized to insure its survivability. I say this because the stated policy of the United States is to maintain strategic forces which are "essentially equivalent" to those of the Soviet Union in order to maintain a stable strategic balance and deter war. It is also U.S. policy that the United States should possess sufficient strategic forces of various types to insure the capability to deliver a retaliatory blow

which would result in unacceptable damage to an enemy's military and economic recovery assets after absorbing a first strike. The force needed to inflict that level of damage comes from land-based ICBM forces. In testimony before the House Armed Services Committee, Secretary of Defense Harold Brown stated:

Only the land-based ICBM today is suitable for attacking time-urgent hard targets. These missiles are also provided with a sophisticated and survivable command-control system which allows rapid retargeting and reporting of missile status up to command level for added flexibility and efficient war.

The basing mode that is most commonly discussed as the alternative most feasible is the Multiple Aim Points System (MAPS) or sometimes referred to as the Multiple Protective Structure (MPS). Under this system, the United States would construct as many as 20 silos or protective structures per ICBM. This would make it almost impossible for the Soviets to target all points with any assurance of a high kill rate. In his testimony Secretary Brown further stated:

We believe that strategic forces should be highly survivable to insure stability and that ICBM's may need a multiple aim point deployment to achieve this in this way, the resource exchange ratio may be made very disadvantageous for the attacker.

The key to retaining the appearance of retaliatory posture only is a system survivability. With a highly survivable system, we can insure having enough missiles remaining after attack without building what would appear to be a threatening first-strike capability.

Mr. President, what is so alarming about this whole situation is the apparent belief, and I might add intention, of the administration that the United States should abandon the land-based ICBM leg of the strategic Triad. In a column appearing in the Washington Post on January 12, 1979, "Unheeded Warnings About the ICBM's," it was pointed out that Secretary Brown is also alarmed at this belief by the President. The column quoted a December 1, 1978, memo from Brown to President Carter:

The effect of the United States giving up, under successful Soviet pressure, a military capability of considerable value which the Soviet Union retains would, in my view, have disastrous consequences both internationally and domestically.

I call this column to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

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

UNHEEDED WARNINGS ABOUT THE ICBM'S

Without apparent success so far, Secretary of Defense Harold Brown has privately warned President Carter of "disastrous consequences" if he pursues his present course of abandoning the nation's land-based intercontinental ballistic missile (ICBM) capability.

Brown's warning echoes the position for which Carter's defense critics have been derided: If the Soviets "are structuring" their forces to fight an extended nuclear war and know that the United States is not, there is deep trouble ahead.

The blunt warning, so out of character for the low-keyed Brown as to be passionate, was provoked by Jimmy Carter himself. Meet-

ing with senior officials on the defense budget last Sept. 29, the president asked: "Why do we need the Triad?" In other words, why can't the United States dispense with land-based ICBMs, and rely on the other two legs of the Triad—manned bombers and missile-firing submarines?

Over a month elapsed before Brown completed an answer for the president's eyes. Brown's "top secret" memorandum of Dec. 1 contained this chilling message:

"The effect of the United States giving up, under successful Soviet pressure, a military capability of considerable value which the Soviet Union retains would, in my view, have disastrous consequences both internationally and domestically."

State Department policy-makers flatly disagree, and even Brown himself does not talk that way in public. Nuclear physicist Brown is a private man, a cool scientist who avoids cold-war rhetoric. Unlike predecessors Melvin Laird and James Schlesinger, Brown has shunned the Cassandra role of pointing to the Soviet menace. He has, in the process, become one of Carter's favorite cabinet members.

Yet, there is no sign of presidential response to Brown's warning. Nothing in writing from Carter has been received at the Pentagon. The gloomy consensus there is that he is determined, for the sake of arms control, to reject the Defense Department's proposals to preserve the land-based ICBM and the Triad.

Specifically at issue is whether the president will approve a mobile-basing system on land for the new MX missile to replace the fixed-base Minuteman, which is becoming vulnerable to Soviet attack. But mobile basing is viewed by arms controllers as destabilizing because it would force Moscow to respond (while also violating the new SALT II arms-control treaty). Consequently, presidential science adviser Frank Press and other White House aides want to base the MX aboard aircraft.

Carter leans that way, an inclination signaled by him while still president-elect on Jan. 12, 1977, when he suggested reducing the U.S. arsenal to 200-250 ICBMs. Nearly two years in office did not change his mind. That was shown at the Sept. 29 meeting, when Carter again questioned the need for the ICBM.

The Dec. 1 response, personally written by Brown, discussed, after its warning of "disaster," why a land-based missile is needed. Brown insisted on retaliatory capability "come what may, in the face of new and unexpected Soviet developments." He further stressed the need "to maintain some capability after an initial [nuclear] exchange—perhaps for days, or weeks, or even a few months."

This notion of a nuclear war that would not be completed in one apocalyptic spasm has been rejected by arms-control advocates rampant in the administration. It also has been publicly rejected by Harold Brown, who returned to this position in the Dec. 1 memo: "I should note that I doubt that a strategic war of this kind is at all likely, or that it could be fought without rapid escalation to an unlimited spasm." Then, however, Brown tells his president what arms controllers will not admit: "But there are many indications that the Soviets are structuring the forces to fight such a war. Their plans and exercises point the same way. If they think they have such a capability, and we both know that the United States does not, adverse military consequences are possible, and adverse political consequences very likely."

While Brown's memo has been safeguarded as though it were a secret weapon, there is no mystery about the Air Force's position. Its chief of staff, Gen. Lew Allen, championed a mobile land-basing system in a Dec. 29 letter to the House Armed Serv-

ices Committee, which was cleared by Brown without a word changed.

This is a weapons decision where the president cannot claim support from the military or where his apologists cannot plead lack of outside advice. In this case, Carter needs no warnings about unilateral concessions under Soviet pressure from Scoop Jackson, Paul Nitze or Mel Laird. What they would say is duplicated by his trusted secretary of defense, who seems to be going unheeded.

Mr. HATCH. In summation of point 1, the land-based ICBM force of the Triad is now vulnerable. The SALT II agreement being negotiated may well prohibit a follow-on missile based in a mode that will insure its survivability. The Congress must demand that such a system be constructed to assure the American people that we will remain free from Soviet extortion.

The second point concerns the modernization of our SLBM and bomber forces. The United States has unilaterally canceled the B-1 bomber without even asking for a quid-pro-quo from the Soviet Union. There is no sense in beating a dead horse. Everyone knows the B-1 was the most advanced bomber in the history of aviation. The United States must now continue to rely upon the ancient B-52 to deliver the cruise missiles we are currently developing. However, we must place a date on the use of the B-52. At some point we must realize that a new manned bomber will be needed to maintain this, the most flexible leg of the strategic Triad. The Soviets have realized this and developed the Backfire bomber. The Tupolev-26 V/G, the formal name of the Backfire, is a variable geometry (swing-wing) multipurpose aircraft capable of performing nuclear strike, conventional attack, antiship reconnaissance and electronic warfare missions. The B (production) model of the plane is about 2½ times as large as the American FB-111 and carries a payload similar to the Soviet Mya-4 Bison—a bomber of recognized strategic dimensions. In many respects, the Backfire resembles the canceled American B-1, though only two-thirds its size and possessing roughly one fourth of its payload capacity.

I ask unanimous consent to have printed in the RECORD a table which is useful as a reference in analyzing the Backfire's presumed strategic capabilities on a comparative basis, designated as table II.

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

TABLE II.—COMPARISON OF BACKFIRE WITH OTHER CONTEMPORARY AMERICAN AND SOVIET AIRCRAFT

Nation and aircraft	Range (statute miles)	Payload (pounds)	Weight (pounds)
U.S.S.R.:			
Backfire.....	7,140	20,000	272,000
Tu-95.....	7,800	40,000	340,000
Mya-4.....	6,050	20,000	352,750
Tu-16.....	4,000	20,000	175,000
United States:			
B-1.....	6,100	115,000	389,800
B-52 G/H.....	12,500	75,000	488,000
FB-111A.....	3,800	37,500	91,500

¹ For several reasons, some disagreement persists over the classification of these aircraft as heavy bombers negotiable in SALT.

Source: Appeared in Gerard K. Burke, "Backfire: Strategic Implications," Military Review, September 1976, Current News Sept. 29, 1976, p. 5-F.

Mr. HATCH. The Backfire will not be included in a SALT II agreement due to Soviet insistence that it is not strategic. Yet, according to former Secretary of Defense, Donald Rumsfeld:

Even without aerial refueling or staging from bases in the Arctic, Backfire bombers could cover virtually all of the United States on one-way missions, with recovery in third countries. Using Arctic staging and refueling, they could achieve a similar target coverage, and still return to their staging bases in the Soviet Union.

What the Soviets have suggested is a letter promising not to deploy the Backfire in a strategic manner. A promise that would hold little weight in a time of crisis. This is a question that must be resolved before the Senate could ratify a SALT II agreement.

In 1972, when the SALT interim agreement was ratified, there were many Senators who expressed serious concern about the Soviet's willingness to abide by the letter as well as the spirit of the agreement. Concern was also expressed at the number of advantages granted the Soviets, inter alia, SLBM's—Soviets, 62, U.S. 41; ICBM's—U.S.S.R. 1408, U.S. 1054. Time has since proven that these concerns were well founded. During the past several years, the Soviets have repeatedly violated both the letter and the spirit of the 1972 agreement. More recently, former Secretary of Defense Melvin Laird pointed out some of the Soviet's more blatant violations in an article in the December 1977 Readers Digest.

Our magnanimity in conceding to Soviets in SALT I has now come home to roost with us in the form of admissions by this administration that they can not do anything about the vulnerability of our ICBM's; that we must concede to the Soviets or else we will not be able to get a new agreement. And now comes another example of their contempt for agreements they have signed.

Under the terms and conditions of the SALT I agreement, the Soviets were allowed 950 ballistic missiles on no more than 62 modern ballistic submarines, provided that they dismantled their 209 older SS-7 and SS-8 ICBM's and thereafter replaced on a one-to-one basis older SLBM's for new ones. Otherwise, they would be limited to 44 submarines and 740 missiles. According to Defense Space Business Daily, the Soviets presently have operational at least 64 submarines, 2 over the SALT I ceiling. This, however, assumes they have dismantled all their SS-7/SS-8, an act which allows them to achieve that level. There is doubt, however, that they have done so.

However, despite the 64 submarines operational, they have at least 10 to 20 additional submarines in production. When these are complete, the Soviets will—under SALT obligations—have had to dismantle in the meantime all their "H" class (8), as well as up to 12 Yankee class submarines.

Couple with that some 1,409 ICBM's (all of them less than 10 years of age) and 140 bombers (excluding more than 100 Backfire bombers) and you come up with a total of 2,499 strategic systems. The latest SALT proposal would supposedly reduce that number to 2,250

which would mean a Soviet reduction of some 240 strategic systems. Understandably, the first system that would probably be dismantled would be the 140 older bombers (Bears/Bisons). Under the proposed SALT II agreement, they really do not need them, since they can continue to build Backfire bombers with strategic capability that can easily fill the void but not be included in the count.

Based on past Soviet performance, it seems unlikely they would consider dismantling modern weapon systems like the Yankees or modern ICBM's. Their oldest Yankee class submarine is just 10 years old; on the other hand, our oldest Polaris boat is nearly 18 years old. The Soviets presently have in operation other submarines, cruisers, fighters, bombers, tanks, and other systems that are over 25 years old. Their propensity for saving everything is without peer—in fact, the Soviets maintain in storage stocks of obsolete armored vehicles, some of which go back to World War II.

What could possibly be their rationale for continuing to produce missile submarines at this pace? These boats exceed by far the limits granted them in SALT I, and would, when added to their ICBM deployment and production rate, exceed the new proposed SALT ceiling or would force the dismantling of relatively new systems.

Their present inventory of SLBM's is as shown in table III, which I ask unanimous consent to have printed in the RECORD.

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

TABLE III

	Boats	Missiles
Modern nuclear submarines:		
Yankee class (16 missiles per boat) ..	34	544
Delta I's (12 missiles per boat) ..	18	216
Delta II's, III's (16 missiles per boat) ..	10	160
Total ..	62	910
Older Nuclear: Hotel class ¹ (3 missiles per boat) (total) ..	8	24
Older diesel electric (not included in SALT): Golf class ¹ (3 missiles per boat) ..	22	66
Grand total ..	92	1,000
Submarine in production, necessary to meet deployment schedule of 8 yr, Deltas/Typhoons ..	20	400
Potential total (1981) ..	112	1,400

¹ For over a decade these submarines were considered strategic; and therefore, it seems reasonable to conclude in the event of war they would be used; unless they had been scrapped.

Mr. HATCH. Today, barely 6½ years after SALT I ratification, we are confronted with the situation that Senator JACKSON anticipated on August 11, 1972:

First under the terms of the agreement, Soviets permitted to have operational, by July 1, 1977, 62 Polaris-type Y-class submarines. The agreement is very explicit on this. Owing to a provision that could have constituted a serious loophole, the issue arose as to whether the Soviets might have additional such submarines under construction, but not yet operational, on July 1, 1977. Some witnesses, including Ambassador Smith and Chief of Naval Operations, Admiral Zumwalt, indicated that, technically, this was permissible. Were that the case, the Soviets could continue to turn out Y-class submarines like sausages, eight

per year, with absolutely no perturbation of their deployment momentum.

Therefore, on July 24, I raised this problem with Secretary Laird in order to get the administration position as understood at the highest levels. Secretary Laird said:

"The protocol to the interim agreement specifies that the Soviet Union may have 950 SLBM launchers and not more than 62 modern ballistic missile submarines."

The Secretary Laird, speaking for the administration, said:

"In the event that during the period of the interim agreement they were to initiate construction of additional modern ballistic missile submarines beyond the number necessary to reach the total of 62, this could be done only as replacements (for older Y-class submarines) and this would be under the procedures as specified under article 3 of the interim agreement. We would consider any new construction starts which were merely for the purpose of maintaining the momentum of the Soviet Union construction program to be contrary to the intent of the agreement."

This point is made equally clear in a colloquy between the Secretary and me. In order to understand the administration view, I asked:

"I take it that it is your judgment and the view of the President and the Administration that any attempt to use this ambiguity to build up—especially toward the end of this 5-year period—a pipeline of advanced Y-class boats under construction—as a technical means of getting around the limit of 62 operational submarines, would be in clear violation of what we understood to be the agreement."

Secretary Laird answered:

"I would, and that would also apply to the United States."

The Soviets are, in fact, turning out Delta-class submarines like sausages. In fact, the only thing that has changed since 1972 are the new versions; they are larger and more lethal. The potential threat of using this horrendous submarine production capacity to get their way at SALT could, in the long run, jeopardize the likelihood of getting an equitable SALT II/III agreement.

The question should be asked why the Soviets would establish a production line for a 24-tube Typhoon missile submarine at precisely the time they would bump up against the upper limits defined for such systems in SALT I. Obviously, the Soviets know what they are doing: A nation simply does not invest billions of rubles in the most advanced building machinery, the long-lead-time submarine components such as nuclear reactors and propulsion systems, the giant launching and construction facilities which these boats require merely to replace submarines that are only 10 years old or younger. This would be entirely out of character for the Soviets. If we draw an analogy to the equivalent Trident submarine program in this country, the Soviets must have been designing the Typhoon and its very long-range SS-N-18 missiles since the early 1970's—about the time we agreed to allow them 18 more SLBM's than the United States. The reason for this was "... the argument the Russians already had the facilities and that if we did not reach an agreement in 5 years, they would go on to 99 or 100." (CONGRESSIONAL RECORD, 9-14-72, page 2).

Counting the older "G" class subma-

rines the Soviets are now approaching the ceiling SALT I was supposed to prevent from happening. It is hard to believe they could have produced more submarines (25) or more different classes (4) than they have in the past 5 years.

In short, the Typhoon production line is the starkest evidence available to date that the Soviets have had, and continue to have, no interest whatsoever in observing the SALT limits. A nation does not, in the normal course of international behavior, design a mammoth production line and sink billions of rubles into highly advanced technology just to build one or two submarines. The Typhoon may now be in series production; there will be more of such submarines, and it is a very safe bet that the Soviets will not scrap or deactivate Yankee submarines less than 10 years old in order to fit the Typhoons under the SALT limits.

What will happen—and this is my prediction—is that administration officials will devise intricate rationales for letting the Soviets get away with whatever they want to on the SLBM issue. We will, in my opinion, see a wondrous repeat of the Backfire fiasco: In all likelihood, the administration will let the Soviets simply tie up operational submarines in port and announce that they are no longer operational. Or, we will see U.S. officials frantically explaining to a skeptical Congress that the Soviets are entitled to the world's first "strategic reserve missile-submarine fleet"—one whose units would not be counted under SALT I or SALT II.

It is time the Soviets are forced to answer some tough questions before we agree to sign any more agreements. For over a decade, they have refused to reveal the numbers and mix of their strategic forces—it is time they demonstrated their goodwill by giving us those number as well as their intentions relative to the SLBM fleet.

Before the Senate is asked to ratify any new SALT agreement, we must have answers to the questions this new disclosure has generated. Namely: First, what are the Soviet's intentions relative to SLBM production? Second, what are they going to do with the SLBM's in existence that exceed SALT I limitations? Third, how do they intend to reach the proposed SALT II ceiling of 2250 (1,409 ICBM's + 950 SLBM's + 140 bombers = 2,499)? Fourth, are we prepared to allow them to convert their Yankee class SLBM's to a nonstrategic class, possibly modified to carry SSN 12/13's? If the latter case, how do we verify conversion? (The same question is applicable to the H class). Will they be allowed to transfer these older H and V class submarines to client states (East German, etc.) and have them excluded from SALT?

The third point I mentioned, guaranteeing our ability to deter nuclear war and in the event it occurs, surviving, is a point that encompasses many of the arguments made in points one and two. We must strengthen all three legs of our triad if we are to deter nuclear war; but the question of surviving is an issue that has aroused much debate in the past 6 months.

Civil defense is what we are basically discussing when we speak of survivability. The administration was directed by the Congress last year to formulate a sound civil defense program. The fiscal year 1979 budget was to provide funding to improve our civil defense efforts. Knowledge of this brought great outcries from the arms control community. Increased spending for civil defense would mean the United States had abandoned the mutual assured destruction (MAD) doctrine. Under this concept, the civilian population of both the United States and the Soviet Union would be defenseless, held hostage if you will, against the other side's nuclear forces. It should be noted that the Soviet Union has never accepted this doctrine. What the Soviets have done is institute a massive civil defense effort.

During the 1950's, the Soviets realized that measures had to be taken to insure the safety of their population and industrial base in the event of war. In 1961, the task of organizing such an effort was entrusted with the Soviet Ministry of Defense. In 1972, Colonel-General Altunin was assigned to head the civil defense effort, assuming the position of Deputy U.S.S.R. Minister of Defense. It was at that time the Soviet civil defense effort began to accelerate to its present position.

Soviet civil defense has moved to this prominence because Soviet ideology and philosophy toward nuclear war remains consistent with those principles laid down by Lenin. Soviet leaders assert that nuclear war, like all wars, is a continuation of a country's policy and is waged in accordance with that country's political aims. As to the no win argument, the Soviets do not share the apocalyptic view of nuclear wars so widespread in the West. They contend that capitalists attempt to use this view to paralyze revolutionary processes and to prevent progressive change in the non-Communist world. "We are not pacifists," Brezhnev warned in January of 1979 in Havana. "We do not want peace at any price." And, Moscow asserts, the U.S.S.R. will not only not be deterred by the specter of nuclear war but, if one actually comes, will survive, while its enemies will be destroyed. Indeed, Soviet leaders are the only ones who publicly assert that a nuclear war can be won, and that, if such a war were to occur, the U.S.S.R. will emerge as a viable state and system, and with the necessary power to impose its will on its opponents.

To maintain this strong adherence to a "war-winning" philosophy the Soviets have developed a civil defense program that is now felt to include as many as 30 million civilians in addition to the large

military manpower commitment to civil defense. This program averages approximately \$1 billion per year and appears to be rising. This cost includes a large shelter construction program as well as continued emphasis on training to the Soviet population.

Since the mid-1950's, seven compulsory civil defense courses have been given to the people of the U.S.S.R., totalling 124 hours of training time. This training is for men from 16 to 60 years of age and for women from 16 to 55 years of age. Recent courses have required demonstrations of practical skill. Members of civil defense formations, the cadre of the civil defense force, receive additional training. The current 20-hour basic course instituted in 1973 for the entire population also provides for 70 to 90 hours of training for command-staff personnel, 36 to 44 hours for civil defense unit leaders, and 28 to 30 hours for members of civil defense formations. In addition, all participate in various exercises. Schoolchildren receive formal civil defense instruction in the second, fifth, and ninth grades of 10-year secondary schools.

This massive training of the population in civil defense is compulsory, and is designed to teach the people how to act and carry out orders, to practice selfhelp, to assist poststrike operations, and to develop appropriate moral, psychological, and political attitudes. The optimum goal of this training is to instill in the population a deep faith in the effectiveness of civil defense measures and the possibility of surviving nuclear strikes.

The effort being made to insure industrial survivability equals or exceeds the one aimed at the population. Particular attention has been paid to the location of new industries near newly developed sources of energy and raw materials in Siberia, which the Soviet Government seeks to develop with the aid of Western, and especially, U.S. technology and credits. According to U.S.S.R. Minister of Defense Gretchko:

The shift of production forces to the east, bringing them closer to sources of raw materials and fuel, their dispersed location by economic regions, significantly increases the defense capability of the Soviet homeland, and makes our industry less vulnerable in the event of a missile nuclear war . . .

Similarly, Colonel-General Altunin has characterized the industrial dispersal program as a decisive measure for insuring the viability of the economy in wartime.

The question that must be asked now is: "What is the United States doing?" Precious little is the answer. Because we have accepted the MAD doctrine, the disarmament community of this Nation has blocked civil defense efforts on the grounds they will destabilize the strate-

gic balance. When President Carter proposed to increase civil defense spending, at the request of Congress, the public debate grew so heated the administration appears to have backed down. Yet I ask you, as rational men and women, how can a program be considered an asset to Soviet strategic strength and a debit to U.S. strength? If you doubt these assertions of U.S. civil defense, I challenge you to go to your home States and look for a civil defense sign. When you see one, investigate what supplies are present and what organizational structures exist. Then make your decision on U.S. civil defense.

In analyzing the two programs of the U.S.S.R. and the United States, four inescapable conclusions stand out:

First. Civil defense and other war-survival measures have a central place in Moscow's strategic thinking and constitute a major element in its military preparedness.

Second. The Soviet Union has stepped up in a very substantial way its war-survival program since the advent of the détente relationship with the United States in 1972. It is today steadily increasing its attention and resource allocations to the program.

Third. The Soviet leadership recognizes and evidently attaches great importance to the U.S.S.R.'s superior position as against the United States in war-survival capabilities from the standpoint of both scope and effectiveness of civil defense and related programs and of degree of concentration of population centers and vital economic resources and activities.

Fourth. The Soviet leadership believes that these asymmetries between Soviet and United States capabilities can so degrade the United States threat of "assured destruction" as to give the U.S.S.R. a distinct advantage with respect to risk-taking in the nuclear age and improve its chances of not only surviving but winning a nuclear war should it come.

The fifth and final point that must be considered when evaluating a SALT agreement concerns the growing asymmetry between U.S. and Soviet forces. At the time negotiations began in 1968 toward a SALT I agreement, it was generally acknowledged that the United States held the superior position. From that point on, the United States has witnessed a slow deterioration of that lead.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing a summary of strategic nuclear delivery vehicles, designated table IV.

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

STRATEGIC NUCLEAR DELIVERY VEHICLES: SUMMARY

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
ICBM's:													
United States ²	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054	1,054
U.S.S.R.	570	858	1,028	1,299	1,513	1,527	1,527	1,575	1,618	1,527	1,477	1,409	1,409
SLBM's:													
United States	656	656	656	656	656	656	656	656	656	656	656	656	656
U.S.S.R.	107	121	196	304	448	500	628	720	784	845	909	950	950

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Bombers:													
United States ¹	600	545	560	550	505	455	442	437	432	387	373	344	255
U.S.S.R. ²	160	155	145	145	145	140	140	140	135	135	135	135	135
Totals													
United States	2,310	2,255	2,270	2,260	2,215	2,165	2,152	2,147	2,142	2,097	2,083	2,054	1,965
U.S.S.R.	837	1,134	1,369	1,748	2,106	2,167	2,295	2,435	2,537	2,507	2,521	2,494	2,494
Balance United States/U.S.S.R.	1,473	1,121	901	512	109	-2	-143	-288	-395	-410	-438	-440	-440

¹ At present the Soviets have 2,521 SNDV compared to United States' 2,054. Although Soviets will be forced to reduce their SNDV's by 250 to reach the ceiling the United States will fall short of reaching the ceiling by 200 with no immediate prospects of reaching 2,250. In order to reach the 2,250 ceiling the Soviets will be forced to scrap relatively new system (Yankee class submarines or newer ICBM's).

² These numbers do not include ICBM reloads. Various estimates give the U.S.S.R. between 1,000 and 2,000 reloads. Both of the new SS-17 and SS-18 are cold launched, thus providing refire capability.

³ Includes 75 B-52 used solely for training. Excludes 68 FB-111A, which could with refueling reach U.S.S.R.

⁴ These numbers exclude some 400 Badger bombers and over 100 Backfire bombers, all of which can be refueled, giving them capability to strike the United States and return to U.S.S.R. or land in Cuba.

Mr. HATCH. In order to redress this growing imbalance, the United States must make a firm commitment to improve its defense capability. I am pleased to see the President include \$670 million for continued research on the MX. At the same time, I am concerned that we may well permit ourselves to be deluded by political rhetoric. The administration has yet to decide on a basing mode. Without such a decision we will continue to fail to address the real problem, survivability of U.S. forces.

I think that all will agree that something must be done. An examination of the proposed SALT II agreement shows a weakness that the Soviets may well be able to exploit during the life of the treaty. Under the treaty, limited modifications to existing ICBM's will be permitted. However, any test of an ICBM with more RV's than has previously been tested on that particular ICBM will cause it to be classified as a new type ICBM. With this in mind it should be noted that the U.S. Minuteman III has only three RV's. The Soviet SS-17 has 4 RV's, the SS-19 has 6 RV's, and the SS-18 has up to 10 RV's. This will effectively eliminate any improvements with respect to increased MIRVing by the United States. The treaty does provide that each side shall be able to test one "new type" ICBM. However, the Soviets have added a further restriction. They insist that no new ICBM be in what is considered the "heavy" class, therefore, should not have a payload exceeding that of the Soviet SS-19. This would then limit the number of RV's to a "new type" ICBM to six. Since the Soviets already have 10 on the SS-18, they want to prevent the United States from reaching that number through deployment of the MX. Once again we see evidence of a strong Soviet negotiating posture, a posture that limits U.S. programs while reaffirming Soviet strengths.

What the United States must do is immediately push ahead with full development and deployment of the MX. The basing mode that has generated the most support is the multiple aim points (MAP) system. The Air Force has supported a version of this system known as multiple protective shelter (MPS), which is basically the same thing. In a letter to Congressman MELVIN PRICE, chairman of the House Armed Services Committee, Gen. Lew Allen, Chief of Staff of the Air Force, points out the advantages of such a system. When asked what characteris-

tics or advantages do ICBM's bring to the Triad, General Allen responded:

Different pre-attack survival mode than aircraft or SLBMs and a different penetration to target mode than aircraft.

Independence from strategic or tactical warning for pre-launch survival.

Exceptionally reliable command, control, communications for positive control.

Unique military capability as embodied in the ICBM's rapid response capability, prompt retargeting ability, short flight time to target, hard target capability, high alert rate and range.

Enduring survivability in an extended nuclear conflict.

Low domestic profile, but large international perception.

High confidence in nuclear weapon safety and security.

Relatively low operating cost and personnel requirements.

Independence from concealment for survival.

Straightforward SALT verification concept.

All of these reasons underscore the importance in moving forward with the MX in an MPS basing mode. When asked which mode was preferred by the Air Force, General Allen responded:

The vertical shelter MPS is preferred by the Air Force.

The next question, and one that is often raised by MX and MPS critics, concerns verification. To this General Allen responded:

Yes, there are concepts for making an MPS system verifiable in ways which have precedence in SALT agreements. The verification concept we currently favor would depend on assembly of missiles in their launch canisters in a highly visible, time consuming process (somewhat analogous to the SLBM verification approach). This process could be readily monitored by projected Soviet national technical means.

In our concept, we have inextricably tied three separate events together to form a choke point, i.e., missile assembly canister-launcher assembly, and launcher/missile transit to the deployment area. No buildings within the deployment area would support assembly of the missile or launcher.

This verification concept has the potential to decouple concealment—which occurs within the deployment area—from verification—which occurs outside the deployment area. If mass simulators are employed as a protective countermeasure, they would be constructed so that they are visibly different from the missiles in their launch canisters.

Finally, while it might be desirable to negotiate verification enhancement designs and procedures with the Soviets, this is not necessary. We are planning initially on developing a system which will allow us to

assert unilaterally that verification by NTM is reasonable. This is essentially what the Soviets did in regard to their IIX launch control silos. In addition, we plan to refine and demonstrate our MPS operational practices in the engineering test bed facility which will be constructed in FY 79 in a manner which can be readily monitored by the Soviets.

When this question is answered the next one in sequential order is always concerning fears that the Soviets would also move to such a system. To this, General Allen responds:

The U.S. intelligence community must continuously monitor and assess Soviet strategic capabilities to provide the bases for U.S. defense planning. This essential activity is required independent of the SALT process. With regard to any SALT limitations, our ability to monitor and verify Soviet compliance with specific constraints obviously depends upon the design of the particular system. Our deployment of a multiple protective structure system should provide a precedent on "how to do it right" in terms of the specific operational practices designed to enhance monitoring by national technical means. Should the Soviets decide to deploy a mobile ICBM we should not assume that they would follow our design and procedures precisely. However, they would be obligated to follow them in principle, i.e., they would be required to provide us with a means to make a count of deployed launchers/missiles. In addition, the substantial Soviet interest and experience with road mobile strategic missile systems, like the SS-20, suggests that should they choose to deploy a mobile ICBM, they would be likely to go in that direction. Even in this eventuality, general principles regarding the need to operate the system to provide the adversary with an opportunity to assess confidently missile launcher inventory via NTM would be a valuable precedent.

Missile breakout refers to the possibility that one side could clandestinely produce and store a substantial number of strategic missiles which could be suddenly revealed to produce a dramatic shift in the strategic balance. This worrisome possibility has confronted us for many years and will continue to exist until we succeed in establishing verifiable limits on strategic missile production, inventory, and ultimate disposition, perhaps within SALT III. There is no justification for linking the problems of Soviet breakout solely to an MPS system. While the multiple protective structures might offer a convenient deployment site, the Soviets would almost certainly be better able to pull off such a potentially sensitive deception operation by deploying their extra ICBMs in remote areas which would be under less careful and continuous scrutiny than an MPS deployment area. Moreover, the greatest challenge we are likely to face in seeking to maintain strategic parity with

the Soviets over the next several years is keeping pace with their substantial improvements of strategic systems deployed in conventional basing modes within the prospective limits of SALT II.

I would add to this a simple logical step. If the Soviets are willing to place limits on the number of RV's on ICBM's, they are in fact limiting the number of silos they can target. Assuming U.S. policy is still one of deterrence and not first strike, it would not matter if the Soviets went to an MAPS deployment. As long as the U.S. Air Force remains in a survivable basing mode, the deterrence is intact.

Mr. President, this subject is one that has immense importance to the Nation and all the Western World. It appears the administration, in their desire to sell this agreement to the public, has glossed over many of the facts. They have accused the opponents of the agreement of being reactionary and appealing to emotionalism. I find the very opposite to be true. It is the supporters of SALT II that use phrases such as "fueling the arms race," "spiraling defense costs," and "nuclear holocaust" to instill a fear in people if the agreement is not signed and ratified. It is up to this body, the U.S. Senate, to debate the treaty on its merits. Let the facts stand for themselves. I would suggest to my colleagues that they treat this agreement as a comparative case study, using the year 1968 as a base and comparing our strategic strength, as outlined in SALT II, to that year. What a difference 10 years has made.

DEATH FOR SALE

Mr. HATCH. Mr. President, in 1973, the Supreme Court of the United States legalized abortion on demand. Those who defended the Court's decision have based much of their case on the desirability of making abortion safe, so that pregnant women would not resort to so-called back-alley practitioners. But recent events in Chicago have demonstrated that the reality of legalized abortion is no less deadly than its illegal counterpart.

An underground investigation headed by staffers of the Chicago Sun Times, in collaboration with the Better Government Association, has revealed within the legal abortion clinics of Chicago an abhorrent array of sordid activities. The atrocities abounding therein astounded the investigators, who discovered that the abortionists have as little regard for the women who come to them as they have for their unborn children. One abortionist boasted of being able to perform two abortions at the same time. In the rush, anaesthesia is sometimes neglected, just as it always is neglected for the unborn child about to die.

At least 12 women have died in Chicago, because of the abortions they received, quite legally, in the clinics. Countless others have suffered devastating consequences.

Obviously, the Chicago clinics are lucrative. The total Medicaid payment to one abortionist in 1974 was the highest for any physician in the country: A total of \$792,266. Another abortionist received

\$217,500 for his services in 1 year; and 6 months later, he billed the taxpayers for \$200,000 more.

The Chicago clinics are only the tip of a ghastly iceberg. It would be naive to suppose that their counterparts elsewhere are not every bit as bad. The abortion racket—death for sale—cannot be anything else.

A MAN FOR ALL SEASONS

Mr. HATCH. Mr. President, the Washington Post of last Friday, January 26, reported a tragic occurrence of the previous day. Dr. James E. Dornan, Jr., chairman of the Politics Department at Catholic University here in Washington, was victim to a fatal automobile accident. Those who knew him and the very many who heard of or were affected by the good works of this very great American are understandably grief stricken. Principal among these are his mother Florence; his wife, Diane; and his six children.

I am sorry to say that I knew Dr. Dornan less well than did several members of my staff, one of whom had the privilege of studying under him. Like them, however, I recognized the very essential fact about Jim Dornan. I recognized that he embodied the very best which is within us; that he is the kind of man American universities should produce, and as in this instance, occasionally do.

Born in Brooklyn, N.Y., he graduated with honors from LeMoyne College in Syracuse, N.Y., going on to earn his doctorate in political science from Johns Hopkins University. He taught at several colleges, but is probably best remembered for his academic work here in the Nation's Capital, at Catholic University. He has been on the faculty there since 1967, and as chairman of the political science department, reorganized it in order to place greater emphasis on classical learning—the very fundamentals of what we know, and how we are to know it.

He was author or editor of a range of books on foreign policy, the titles of which are too voluminous to mention here. Let it be said, however, that in these works, as in his lecturing, debating, and his political science work with SRI International (a California-based research organization), he made an indelible mark as one of our country's authorities on U.S. foreign relations, military strategy, and Asian affairs. It would be fair to say that Dr. Dornan was, during the late sixties and early seventies, the principal critic of the Kissinger foreign policy from what is understood to be a conservative direction. He was articulate and uncompromising in the views he so strongly held; and while there are those who shared differences over Dr. Dornan's analysis, there are none who failed to recognize the scholarship, erudition, and statesmanship in everything he wrote or said.

His works are, of course, very many, but not as many as the impressions he permanently set on his students and all those who benefited by his association. He was as much a scholar as he was a

patriot, and both this academic quality and force of character set in motion a school of thought and analysis which will certainly remain part of his living legacy. To try to communicate the depth of influence Dr. Jim Dornan had on his university and his students forces me to borrow a phrase from the philosopher, Whitehead, and to say that the works and people and events which all contributed to the development of sound scholarship at Catholic University are all footnotes to Dornan.

I was proud to have had some association with him, and I share the sense of loss felt by so many on my staff, and of the far larger number of men and women whose quality of life and thought is so far advanced, because Jim Dornan once lived. He is truly a man for all seasons.

RECESS

The PRESIDING OFFICER. Pursuant to the previous order, the Senate will stand in recess for 1 hour and 30 minutes.

Thereupon, at 3:52 p.m., the Senate took a recess for 1 hour and 30 minutes.

The Senate reassembled at 5:22 p.m., when called to order by the Presiding Officer (Mr. PRYOR).

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session for 1 minute only for the purpose of proceeding to the immediate consideration of a nomination which has been reported by the Committee on Foreign Relations today. This matter has been cleared with the minority.

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

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk read the nomination of K. Mathea Falco of the District of Columbia, to be Assistant Secretary of State for International Narcotics Matters.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

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

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, the Senate, at 5:23 p.m., recessed subject to the call of the Chair.

The Senate reassembled at 5:48 p.m. when called to order by the Presiding Officer (Mr. PRYOR).

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed for no longer than 3 minutes to the consideration of calendar Nos. 2 through 8 on the General Orders Calendar.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—I rise only to advise the majority leader that the items he identifies are cleared on our calendar, and we join in his request.

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

AUTHORIZING THE REPRINTING OF "WASHINGTON'S FAREWELL ADDRESS"

The resolution (S. Res. 35) authorizing the reprinting of House Document Numbered 504, 89th Congress, second session, entitled "Washington's Farewell Address," as a Senate document, was agreed to as follows:

Resolved, That House Document Numbered 504, Eighty-ninth Congress, second session, entitled "Washington's Farewell Address to the People of the United States," be reprinted as a Senate document; and that there be printed five thousand five hundred additional copies of such document for the use of the Joint Committee on Printing.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 36) authorizing additional expenditures by the Committee on Rules and Administration for inquiries and investigations, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1979, through February 29, 1980, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the committee under this resolution shall not exceed \$695,000, of which amount not to exceed \$35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1980.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SIBYL M. BROWN

The resolution (S. Res. 37) to pay a gratuity to Sibyl M. Brown, was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Sibyl M. Brown, mother of James R. Brown, an employee of the Senate at the time of his death, a sum equal to three months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHARLES F. CLARK, SR.

The resolution (S. Res. 38) to pay a gratuity to Charles F. Clark, Sr., was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Charles F. Clark, Sr., widower of Lucille B. Clark, an employee of the Senate at the time of her death, a sum equal to one year's compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GUY D. HUNTER AND BONNIE G. HUNTER

The resolution (S. Res. 39) to pay a gratuity to Guy D. Hunter and Bonnie G. Hunter, was agreed to, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay,

from the contingent fund of the Senate to Guy D. Hunter, father of Gary D. Hunter, and Bonnie G. Hunter, mother of Gary D. Hunter, an employee of the Senate at the time of his death, a sum to each equal to one month's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALLIE M. McADAMS

The resolution (S. Res. 40) to pay a gratuity to Allie M. McAdams, was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Allie M. McAdams, sister of Jesse James, an employee of the Senate Restaurant at the time of his death, a sum equal to four months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CARL W. SOURS

The resolution (S. Res. 41) to pay a gratuity to Carl W. Sours, was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Carl W. Sours, father of Ray W. Sours, an employee of the Architect of the Capitol assigned to duty on the Senate side of the Capitol grounds at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SPECIAL ORDERS FOR MONDAY, FEBRUARY 5, 1979.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. PROXIMIRE be recognized for not to exceed 15 minutes on Monday, after I have been recognized for not to exceed 3 minutes.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. HUDDLESTON be recognized on Monday for not to exceed 15 minutes after Mr. PROXIMIRE's order has been completed.

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

AUTHORIZATION FOR WITHDRAWAL AND RELEASE OF CERTAIN MATERIALS

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. NUNN, I send a resolution to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 56) to authorize the withdrawal and release to the Controller of the State of California of certain documents, papers and other materials in the possession of the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution for not to exceed 2 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the resolution.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a statement by Mr. NUNN in explanation of the resolution be printed in the RECORD.

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

STATEMENT BY SENATOR NUNN

I offer today a resolution to authorize the release of certain documents in the possession of the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs.

By letter of December 12, 1978, the Controller of the State of California requested that the Subcommittee supply copies of documents obtained by the Subcommittee during an authorized inquiry into the California Relative Value Studies and their relationship to the level of health service expenses paid under federally-funded health care plans. The Controller has requested these materials for use in connection with an official State audit of the California Medicaid program.

Pursuant to Rule XXX of the Standing Rules of the Senate and the privileges of the Senate, such documents may not be released without a Resolution of the Senate.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 56

Whereas, the Controller of the State of California has, by letter dated December 12, 1978, formally requested certain documents, records and materials in the possession of the Subcommittee; and

Whereas, the documents, records and materials were obtained by the Subcommittee in the course of an authorized study of the California Relative Value Studies and their relationship to health care costs charged under federally-funded and other health programs; and

Whereas, by the privileges of the Senate of the United States and by Rule XXX of the Standing Rules of the Senate, such documents, papers and other materials so secured by the Subcommittee may not be withdrawn without the consent of the Senate: Therefore, be it

Resolved, That the Permanent Subcommittee on Investigations is authorized, at the discretion and direction of its Chairman, to provide the Controller of the State of California documents, papers and other materials obtained in the aforesaid investigation by the Subcommittee.

Sec. 2. The Secretary of the Senate shall transmit a copy of this resolution to The Honorable Kenneth Cory, Controller, State of California, Sacramento, California 95805.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

MESSAGES FROM THE PRESIDENT

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

BUDGET OF THE DISTRICT OF COLUMBIA, 1980—MESSAGE FROM THE PRESIDENT—PM 23

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, together with an accompanying document, which was referred to the Committee on Appropriations.

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting for your consideration the budget of the District of Columbia for fiscal year 1980.

JIMMY CARTER.

THE WHITE HOUSE, February 1, 1979.

MESSAGES FROM THE HOUSE

At 12:20 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that, pursuant to the provisions of 10 United States Code 4355(a), the Speaker has appointed Mr. MURPHY of New York, Mr. LONG of Maryland, Mr. CONTE, and Mr. GILMAN as members of the Board of Visitors to the U.S. Military Academy, on the part of the House.

The message also announced that, pursuant to the provisions of 10 United States Code 6968(a), the Speaker has appointed Mr. McKAY, Mrs. SPELLMAN, Mr. KEMP, and Mrs. HOLT as members of the Board of Visitors to the U.S. Naval Academy, on the part of the House.

The message further announced that, pursuant to the provisions of section 194(a), title 14 of the United States Code, the Speaker has appointed Mr. DODD and Mr. MCKINNEY as members of the Board of Visitors to the U.S. Coast Guard Academy, on the part of the House.

The message also announced that, pursuant to the provisions of 46 United States Code 1126c, the Speaker has appointed Mr. WOLFF and Mr. WYDLER as members of the Board of Visitors to the U.S. Merchant Marine Academy, on the part of the House.

The message further announced that, pursuant to the provisions of 10 United

States Code 9355(a), the Speaker has appointed Mr. BURLISON, Mr. WIRTH, Mr. ROBINSON, and Mr. KRAMER as members of the Board of Visitors to the U.S. Air Force Academy on the part of the House.

The message also announced that, pursuant to the provisions of section 1, Public Law 86-417, the Speaker has appointed Mr. SLACK, Mr. YATRON, Mr. WAMPLER, and Mr. ROBERT W. DANIEL, JR., as members of the James Madison Memorial Commission, on the part of the House.

The message further announced that, pursuant to the provisions of section 4 (a), Public Law 94-118, the Speaker has appointed Mr. ZABLOCKI and Mr. ANDERSON of Illinois as members of the Japan-United States Friendship Commission, on the part of the House.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions and memorials, which were referred as indicated:

POM-30. A petition from the Council of the City of Los Angeles, requesting Congress to amend the Clean Air Act to delay the attainment of the NO_x standards to 1987, or to amend the Clean Air Act to suspend for 2 years the implementation of sanctions for local jurisdictions whose plans fail to attain the 1982 standard for oxides of nitrogen (NO_x) in order to allow for the completion of the National Academy of Science study of NO_x; to the Committee on Environment and Public Works.

POM-31. A joint memorial adopted by the Legislature of the State of Washington; to the Committee on Agriculture, Nutrition, and Forestry:

"HOUSE JOINT MEMORIAL No. 3

"Whereas, Sugar beets are the ninth largest crop in the state of Washington and were worth forty million dollars in 1978;

"Whereas, the sugar beet industry is a ninety million dollar industry in the state of Washington;

"Whereas, Sugar beets and sugar beet processing provide employment for three thousand five hundred people in the state of Washington;

"Whereas, The sugar beet industry in the state of Washington pays over five million dollars in state and local taxes;

"Whereas, The situation of the sugar beet industry is critical since the "Utah and Idaho Inc." sugar beet processing plant in the state of Washington, which is the largest sugar beet processing plant in the United States, has announced that there will be no processing operations for the 1979 crop year unless some price relief is obtained;

"Whereas, support of domestic sugar production is crucial since foreign sugar production threatens to dominate the United States market;

"Whereas, history has taught that dependence on foreign production will increase imports adding to the balance of payment problems;

"Whereas, if the domestic sugar beet industry fails, the people of our nation would not only lose jobs, but would be forced to pay prices controlled by foreign producers;

"Whereas, the sugar beet industry, in order to survive, requires a federal government price support of no less than seventeen cents per pound which would barely cover the costs of production;

"Whereas, The sugar beet planting season begins soon and the growers need to decide

immediately whether they will be able to afford to grow sugar beets;

"Now, therefore, Your Memorialists respectfully pray that Congress immediately enact price support legislation for the sugar beet industry that will allow the sugar beet industry to continue to operate this year.

"Be it resolved, That copies of this Memorial be immediately transmitted to the Honorable Jimmy Carter, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, to the Secretary of Agriculture, and each member of Congress from the State of Washington.

"Be it further resolved, That copies of this memorial be transmitted to the Honorable Dixy Lee Ray, Governor of the State of Washington and that the Honorable Dixy Lee Ray is respectfully requested to contact the governors of the other major sugar beet producing states: California, Colorado, Idaho, Michigan, Minnesota, Nebraska, and North Dakota to urge the governors of these states to actively seek the passage of federal sugar beet price support legislation."

POM-32. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Environment and Public Works:

"RESOLUTION No. 2

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the Guam Power Authority is required to comply with the provisions of the Clean Air Act, pursuant to the District Court of Guam's Amended Interim Consent Order of August 23, 1976, which in part provides that the District Court of Guam shall retain jurisdiction over this matter until such time as the Guam Power Authority shall have complied with the applicable Standards of Performance for New Stationary Sources (low sulphur oil); and

"Whereas, Guam Power Authority must advertise for bids on low sulphur oil every six months and make reports to the District Court and Guam Environmental Protection Agency as to the results of such bids; and

"Whereas, Guam Power Authority has received only one bid from the Guam Oil and Refinery Company at nearly \$18.00 per barrel, an increase of more than sixty percent (60%) over the present cost for high sulphur oil; and

"Whereas, the Guam Power Authority will be compelled to either start burning low sulphur oil or install an expensive fuel gas desulfurization system (scrubbers) in the Cabras Power Plant by 1980; and

"Whereas, such requirements would have a devastating economic impact on the territory by increasing individual electric power bills by nearly thirty-five percent (35%) in a community where consumers are already paying higher power bills than any other American community; and

"Whereas, such an increase would also seriously affect the Department of Defense because of increased costs in the production of electricity; and

"Whereas, Guam's unique geographical location and climate of trade winds makes pollution of the smog type an improbability; and

"Whereas, Guam Power Authority has low sulphur oil in storage tanks to use if and when the trade winds reverse to blow over the populated areas of the island (inversion); and

"Whereas, the Guam Power Authority is in the process of installing monitors to test for sulphur dioxide in the air in conjunction with the Guam Environmental Protection Agency; now, therefore, be it

"Resolved, that the Fifteenth Guam Legislature respectfully requests Congressman Antonio B. Won Pat to introduce legislation calling for Guam to be exempted from the

provisions of the Clean Air Act; and be it further

"Resolved, that the Fifteenth Guam Legislature respectfully requests the Congress of the United States to favorably and expeditiously consider legislation to exempt Guam from the provisions of the Clean Air Act; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to Congressman Antonio B. Won Pat; to the Speaker of the U.S. House of Representatives; to the President of the U.S. Senate; to the Chairman, Committee on Territorial and Insular Affairs; to the Secretary, Department of Interior; to the Chairman, Guam Power Authority Board of Directors; to the Chairman, Guam Environmental Protection Agency Board of Directors; and to the Governor of Guam."

POM-33. A resolution adopted by the American Legion, relating to continuing support of the Federal Bureau of Investigation; to the Committee on the Judiciary.

POM-34. A petition from a citizen, relating to Taiwan; to the Committee on Foreign Relations.

POM-35. A resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations:

"HOUSE RESOLUTION No. 9

"Whereas, In this 20th Century, there took place the most horrendous mass slaughter in the history of civilization, wherein approximately 18 million human beings were systematically murdered on the basis of their political, racial or religious backgrounds; and

"Whereas, The methods employed in exterminating these millions of men, women, and children were of the most cruel and tortuous kind; and

"Whereas, The nations of the world, horrified at these atrocities, convened a War Crimes Court at Nuremberg, in the Federal Republic of Germany, to try, convict, and sentence the locatable and guilty perpetrators of these heinous crimes against civilization; and

"Whereas, The Federal Republic of Germany's Statute of Limitations on War Crimes will expire on December 31, 1979, after which there legally can be no further search for, investigation or prosecution of, the remaining war criminals; and

"Whereas, There has occurred a noticeable increase of Nazi activity throughout the world, possibly in preparation for the day when these war criminals will again seek the use of public platforms to espouse hatred and racism and to agitate, organize or otherwise recreate the environment which led to the holocaust; and

"Whereas, People throughout the world must take every possible precaution against the repetition of such barbaric acts of inhumanity; now, therefore, be it

"Resolved by the Assembly of the State of California, That the Members respectfully memorialize the President and Congress of the United States to join with other humane governments of the world in urging the Federal Republic of Germany to repeal its Statute of Limitations on War Crimes, and declare such statute of limitations a violation of international law and of the principles of human morality, so that all potential war criminals shall fully understand that there will be no escaping punishment for the commission of such cruel, inhumane atrocities; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

COMMUNICATIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC-439. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report of the location of new Federal offices and other facilities for fiscal year 1978; to the Committee on Agriculture, Nutrition, and Forestry.

EC-440. A communication from the Clerk, U.S. Court of Claims, transmitting, pursuant to law, the court's judgment order of January 19, 1979, entering judgments for the plaintiffs in *James Strong, et al and Related Cases v. The United States*, Nos. 13-F, 15-I, 29-G, 133-C, 141 and 308, in various amounts; to the Committee on Appropriations.

EC-441. A communication from the Deputy Director, Office of Management and Budget, Executive Office of the President, reporting, pursuant to law, that the appropriations to the Veterans' Administration for "Compensation and Pensions" and "General Operating Expenses" for the fiscal year 1979 have been reapportioned on a basis which indicates the necessity for supplemental estimates of appropriations; to the Committee on Appropriations.

EC-442. A communication from the Secretary of Labor, reporting, pursuant to law, on the exemplary rehabilitation certificates for calendar year 1978; to the Committee on Armed Services.

EC-443. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1980, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes; to the Committee on Armed Services.

EC-444. A communication from the Secretary of Defense, transmitting, pursuant to law, the annual report of the Department of Defense for fiscal year 1980; to the Committee on Armed Services.

EC-445. A secret communication from the Secretary of Defense, transmitting, pursuant to law, the fifth annual report on "Rationalization/Standardization Within NATO"; to the Committee on Armed Services.

EC-446. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Is the AV-8B Advanced Harrier Aircraft Ready for Full-Scale Development?" January 30, 1979; to the Committee on Armed Services.

EC-447. A communication from the Deputy Assistant Secretary of Defense, reporting, pursuant to law, that the Department of the Navy intends to exercise the provision for exclusion of the clause concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-448. A communication from the Attorney General, transmitting, pursuant to law, a report on the activities of the Department of Justice in the enforcement of title II of the Consumer Credit Protection Act for fiscal year 1978; to the Committee on Banking, Housing, and Urban Affairs.

EC-449. A communication from the Chairman, Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission for the period July 1, 1976, to September 30, 1977; to the Committee on Banking, Housing, and Urban Affairs.

EC-450. A communication from the Chairman, Board of Governors, Federal Reserve System, transmitting, pursuant to law, a report entitled "Home Mortgage Disclosure: Usefulness and Feasibility of Nonmetropolitan Disclosure"; to the Committee on Banking, Housing, and Urban Affairs.

EC-451. A communication from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, on loan, guarantee and insurance transactions supported by Eximbank during December 1978 to Communist countries (as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended); to the Committee on Banking, Housing, and Urban Affairs.

EC-452. A communication from the President, U.S. Railway Association, transmitting a draft of proposed legislation that section 214(c) of the Regional Rail Reorganization Act of 1973, as amended, be further amended to reflect an authorization request for fiscal year 1980 of \$30 million; to the Committee on Commerce, Science, and Transportation.

EC-453. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on ocean dumping research, January through December 1977; to the Committee on Commerce, Science, and Transportation.

EC-454. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report containing final recommendations for a restructured intercity rail passenger system to be operated by the National Railroad Passenger Corporation; to the Committee on Commerce, Science, and Transportation.

EC-455. A communication from the Secretary, Interstate Commerce Commission, reporting, pursuant to law, that the Commission is unable to render a final decision in Docket No. 36966, Perishable Protective Tariffs, NPFC, TCFB, and CRB, and Docket No. 37023, Train Schedules for Handling Perishables, Official Territory, within the initially specified 7-month period, to the Committee on Commerce, Science, and Transportation.

EC-456. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Developing A Domestic Common Carrier Telecommunications Policy: What Are The Issues?" January 24, 1979; to the Committee on Commerce, Science, and Transportation.

EC-457. A communication from the President, U.S. Railway Association, transmitting, pursuant to law, certain methodological and other information; to the Committee on Commerce, Science, and Transportation.

EC-458. A communication from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-459. A communication from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to increase the appropriation ceiling for title I of the Colorado River Basin Salinity Control Act (88 Stat. 266), and for other purposes; to the Committee on Energy and Natural Resources.

EC-460. A communication from the Secretary of the Interior, transmitting, pursuant to law, a notice on leasing systems for the Oil and Gas Lease Sale No. 49, mid-Atlantic, scheduled to be held on February 28, 1979; to the Committee on Energy and Natural Resources.

EC-461. A communication from the Secretary of Energy, transmitting, pursuant to law, DOE Energy Action No. 3, an amendment exempting aviation gasoline and kerosene-base jet fuel from the mandatory petroleum allocation regulations, and Senate

DOE Energy Action No. 4, an amendment exempting aviation gasoline and kerosene-base jet fuel from the mandatory petroleum price regulations; to the Committee on Energy and Natural Resources.

EC-462. A communication from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act of 1965 (Public Law 89-80), as amended, to provide authorization of appropriations necessary to continue the Water Resources Council (WRC) through fiscal year 1981; to the Committee on Environment and Public Works.

EC-463. A communication from the Assistant Secretary of the Interior, transmitting, pursuant to law, an announcement of water resources research and development areas of interest for fiscal year 1979 funding consideration; to the Committee on Environment and Public Works.

EC-464. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report entitled "Combined Statement of Receipts, Expenditures and Balances of the United States Government for the Fiscal Year Ended September 30, 1978"; to the Committee on Finance.

EC-465. A communication from the Director, U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, a report on Arms Control Education and Academic Study Centers; to the Committee on Foreign Relations.

EC-466. A communication from the Administrator, Agency for International Development, Department of State, transmitting, pursuant to law, the fiscal year 1978 report of the Agency's Auditor General; to the Committee on Foreign Relations.

EC-467. A communication from the Chairman, Board for International Broadcasting, transmitting, pursuant to law, its fifth annual report on its activities as well as its review and evaluation of the operation and mission of Radio Free Europe/Radio Liberty for the period from October 1, 1977 through September 30, 1978; to the Committee on Foreign Relations.

EC-468. A communication from the Assistant Administrator, Office of Legislative Affairs, Agency for International Development, Department of State, transmitting, pursuant to law, a report on all contract actions in excess of \$100,000 which were entered into without competitive selection procedures during the period April 1, 1978, to September 30, 1978; to the Committee on Foreign Relations.

EC-469. A communication from the Secretary of State, reporting, pursuant to law, on efforts undertaken to comply with provisions regarding the use of herbicides in the Mexican marijuana eradication program; to the Committee on Foreign Relations.

EC-470. A communication from the senior vice president for finance, Potomac Electric Power Co., transmitting, pursuant to law, a financial statement as of December 31, 1978; to the Committee on Governmental Affairs.

EC-471. A communication from the Deputy Comptroller General of the United States, transmitting, pursuant to law, a report for calendar year 1978 concerning positions in GAO in grades GS-16, 17, and 18 and their incumbents; to the Committee on Governmental Affairs.

EC-472. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a proposed new system of records for the Department of the Army; to the Committee on Governmental Affairs.

EC-473. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office for the month of December 1978; to the Committee on Governmental Affairs.

EC-474. A communication from the General Counsel, Securities and Exchange Com-

mission, transmitting, pursuant to law, a report of change to a system of records; to the Committee on Governmental Affairs.

EC-475. A secret communication from the Comptroller General of the United States, transmitting, pursuant to law, a report discussing the key questions that should be answered as part of the Navy's requirements determination for shore-based ship maintenance support in the western Pacific and Indian Oceans; to the Committee on Governmental Affairs.

EC-476. A communication from the Assistant Secretary for Education, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report entitled "Teacher and School Administrator Supply and Demand," prepared by the National Center for Education Statistics; to the Committee on Human Resources.

EC-477. A communication from the Secretary, American Battle Monuments Commission, reporting, pursuant to law, on its administration of the Freedom of Information Act during calendar year 1978; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on the Judiciary, without amendment:

S. Res. 48. An original resolution authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations. Referred to the Committee on Rules and Administration.

By Mr. PELL, from the Committee on Rules and Administration, with an amendment:

S. Res. 30. A resolution to amend rule XXV of the Standing Rules of the Senate to change the name of the Committee on Human Resources to the Committee on Labor and Human Resources (Rept. No. 96-4).

By Mr. LONG, from the Committee on Finance, without amendment:

S. Res. 51. An original resolution authorizing additional expenditures by the Committee on Finance for routine purposes. Referred to the Committee on Rules and Administration.

S. Res. 52. An original resolution authorizing additional expenditures by the Committee on Finance for inquiries and investigations. Referred to the Committee on Rules and Administration.

By Mr. MAGNUSON, from the Committee on Appropriations, without amendment:

S. Res. 53. An original resolution authorizing additional expenditures by the Committee on Appropriations for routine purposes. Referred to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. CRANSTON:

S. 309. A bill for the relief of Antonio Zamora-Mendoza, his wife, Josefina Padilla Zamora, and their sons, Alberto Antonio Zamora-Padilla, Victor Zamora, Leopoldo Zamora, Jaime Zamora, and Jose Zamora; to the Committee on the Judiciary.

By Mr. STEWART:

S. 310. A bill for the relief of Borislav Subotic; to the Committee on the Judiciary.

By Mr. BURDICK:

S. 311. A bill for the relief of Visitacion C. Ramirez, M.D.; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 312. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to

exempt stated prison farms from paying of marketing quota penalties; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ZORINSKY:

S. 313. A bill for the relief of Francisco D. Dozon, M.D.; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. THURMOND):

S. 314. A bill to establish fees for services performed by the United States marshals; to the Committee on the Judiciary.

By Mr. HART:

S. 315. A bill to amend the Internal Revenue Code of 1954 to reduce for a 5-year period the taxes on transportation of persons and property by air; to the Committee on Finance.

By Mr. BENTSEN:

S. 316. A bill to provide price incentives for production of crude oil from deep stripper wells; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 317. A bill to limit the standing of a foreign sovereign to sue under the antitrust laws of the United States; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 318. A bill for the relief of Demetrios Karanikolas; to the Committee on the Judiciary.

S. 319. A bill for the relief of Chan Siu Ha, also known as Linda Chan; to the Committee on the Judiciary.

S. 320. A bill for the relief of Neam Vone Sae-Kuan, also known as Paul Kuan; to the Committee on the Judiciary.

S. 321. A bill for the relief of Anacleto Aboyador Dotollo and Turtosa Acompanado Dotollo; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 322. A bill for the relief of A.Z.M. Rabiul Hasan; to the Committee on the Judiciary.

By Mr. HAYAKAWA:

S. 323. A bill to repeal the provisions of title 23 of the United States Code requiring a national maximum speed limit of 55 miles per hour; to the Committee on Environment and Public Works.

By Mr. BELLMON:

S. 324. A bill to change the name of Clayton Lake in the State of Oklahoma to Sardis Lake; to the Committee on Environment and Public Works.

By Mr. STONE (for himself, Mr. CHILES, and Mr. WEICKER):

S. 325. A bill to establish a program to develop marine artificial reefs in waters of United States jurisdiction; to the Committee on Commerce, Science, and Transportation.

By Mr. BUMPERS:

S. 326. A bill entitled the "Taxpayers' Bill of Rights Act"; to the Committee on Finance.

By Mr. HATCH:

S. 327. A bill for the relief of Shavji Purshottam Dusara, his wife, Vasanti Shavji Dusara, and their child, Shreedhar Dusara; to the Committee on the Judiciary.

S. 328. A bill for the relief of Mr. Oliver O. Ratajczek and his wife, Christine Diane Ratajczek; to the Committee on the Judiciary.

By Mr. HELMS:

S. 329. A bill to amend the supplemental security income program established by title XVI of the Social Security Act to exclude a family cemetery or burial plot owned by an individual or married couple in determining such individual's or couple's resources; to the Committee on Finance.

By Mr. HART (for himself and Mr. CRANSTON):

S. 330. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review

of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes; to the Committee on the Judiciary and the Committee on Veterans' Affairs, jointly, by unanimous consent, and if and when ordered reported by one committee, the other committee then has 30 days in which to act or be discharged therefrom.

By Mr. CRANSTON (for himself, Mr. KENNEDY, Mr. BAUCUS, Mr. BAYH, Mr. BENTSEN, Mr. BIDEN, Mr. BUMPERS, Mr. DURKIN, Mr. EAGLETON, Mr. GRAVEL, Mr. HAYAKAWA, Mr. INOUE, Mr. JOHNSTON, Mr. LEVIN, Mr. MCGOVERN, Mr. METZENBAUM, Mr. NELSON, Mr. PELL, Mr. PRESSLER, Mr. PROXMIER, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SASSER, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENSON, and Mr. TSONGAS):

S.J. Res. 31. A joint resolution regarding the peace, prosperity, and welfare of the people on Taiwan and the Pescadores, and for other purposes; to the Committee on Foreign Relations.

By Mr. BELLMON (for himself and Mr. BOREN):

S.J. Res. 32. A joint resolution to designate November 4, 1979, as "Will Rogers Day"; to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CHURCH, from the Committee on Foreign Relations:

K. Mathea Falco, of the District of Columbia, to be Assistant Secretary of State for International Narcotics Matters.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. CHURCH, from the Committee on Foreign Relations:

Robert H. Pelletreau, Jr., of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States to the State of Bahrain.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee, Robert H. Pelletreau, Jr.
Post, Chief of Mission, Bahrain.

Contributions, amount, date, and donee:
1. Self, \$50, 1976, Eddie Meyer.
2. Spouse, None.
3. Children and Spouses Names, None.
4. Parents, Names (see attached sheet).
5. Grandparents Names, None.
6. Brothers and Spouses Names, None.
7. Sisters and Spouses Names, None.

Political Contributions by Robert H. Pelletreau, Sr.

None made by Mary P. Pelletreau.
January 23, 1974. Republican National Committee, \$25.

June 14, 1974. Suffolk County Republican Club, \$10.

February 15, 1975. Republican National Committee, \$25.

March 7, 1976. Republican National Committee, \$25.

June 1, 1976. Suffolk County Republican Club, \$10.

June 21, 1976. Brookhaven Town Republican Committee, \$10.

January 31, 1977. Republican National Committee, \$25.

June 28, 1977. Suffolk County Republican Club, \$10.

December 5, 1977. Republican National Committee, \$25.

January, 1978. Republican National Committee, \$10.

January, 1978. Duryea for Governor Committee, \$25.

January, 1978. Suffolk County Republican Club, \$10.

August 21, 1978. Duryea for Governor Committee, \$100.

By Mr. CHURCH, from the Committee on Foreign Relations:

Stephen Warren Bosworth, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Tunisia.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee, Stephen W. Bosworth.

Contributions, amount, date, donee.

(If none, write none)

1. Self, none.
2. Spouse, none.
3. Children and Spouses Names, Andrew, Allison, none.
4. Parents Names, Warren and Mina Bosworth, none.
5. Grandparents Names, none.
6. Brothers and Spouses Names, Brian and Nancy Bosworth, Barry and Sally Bosworth, none.
7. Sisters and Spouses Names, none.

By Mr. CHURCH, from the Committee on Foreign Relations:

Jonathan Dean, of New York, with the rank of Ambassador during the tenure of his service as Representative of the United States for Mutual and Balanced Force Reductions Negotiations.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee, Jonathan Dean.

Post, U.S. Representative; MBFR Negotiations.

Contributions, amount, date, donee.

1. Self, None.
2. Spouse, None.
3. Children and Spouses Names, None.
4. Parents Names, Deceased.
5. Grandparents Names, Deceased.
6. Brothers and Spouses Names, David Dean and wife, Anthony Dean, Mary, None.
7. Sisters and Spouses Names, N/A.

By Mr. CHURCH, from the Committee on Foreign Relations:

W. Beverly Carter, Jr., of Pennsylvania, to be Ambassador at Large.

(The nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee, W. Beverly Carter, Jr.

Post, Ambassador-at-Large.

Contributions, amount, date, donee.

1. Self, \$25, 6/13/1978, Congressman Diggs' legal defense committee.

2. Spouse, None.
3. Children and Spouses Names, None.
4. Parents Name, None.
5. Grandparents Names, None.
6. Brothers and Spouses Names, None.
7. Sisters and Spouses Names, None.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 312. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to exempt stated prison farms from paying of marketing quota penalties; to the Committee on Agriculture, Nutrition, and Forestry.

● Mr. BENTSEN. Mr. President, this bill will make a small but very vital adjustment in the Food and Agriculture Act of 1977. This adjustment is necessary to prevent our State prison systems from being barred from raising crops for their own use. State prison systems have in the past been customarily exempted from restrictions on production strictly for their own consumption, but this exemption was included in the 1977 farm bill only for Federal prisons.

Lack of this exemption was a shock when Department of Corrections officials in my home State of Texas were informed of it by the U.S. Department of Agriculture last year. They planted 351.8 acres of peanuts last year, and then they were informed that their quota was only 42.2 acres and that they were no longer exempted from this restriction.

The ability of State prison systems to grow their own food saves our taxpayers millions of dollars annually. In Texas for instance, our Department of Corrections is almost completely self-sufficient. They grow their own cattle, slaughter them in their own packing plant, and use everything even to the point of making shoes and saddles out of the leather. They produce all their own beef, pork, poultry, milk, and vegetables. They make 60,000 gallons of sirup a year from their own cane. They grow, harvest, gin, and mill their own cotton into cloth in their own plants, and then they make their own clothes and bedding. They grow their own rice, corn, soybeans, and grain sorghum. They make their own bricks and furniture, and they grow broom corn to make the brooms to clean the buildings that that brick and furniture go into. They even grow their own peanuts, and it takes a lot of peanut butter for 24,500 inmates.

The Texas prison system is about 65 to 70 percent self-sufficient. They buy only a few items such as salt, pepper, and coffee beans. This means that outside food costs only 31 cents per person per day, and this saves the taxpayer over \$26 million per year.

Mr. President, many State prison systems produce at least part of their own food, and I am sure that no Senator wishes to add this extra burden onto the taxpayers of this country merely because of an oversight in the drafting of a bill. I, therefore, urge quick removal of this bill so that this spring's planting can be done with only the weather to worry about.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 312

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 372(d) of the Agricultural Adjustment Act of 1938, as amended, is further amended to add a new sentence as follows:

"Effective with the 1978 crops, no penalty shall be collected under this Act with respect to the marketing of any agricultural commodity grown on State prison farms for consumption within such State prison system." ●

By Mr. DECONCINI (for himself and Mr. THURMOND):

S. 314. A bill to establish fees for services performed by the U.S. marshals; to the Committee on the Judiciary.

FEES OF U.S. MARSHALS

● Mr. DECONCINI. Mr. President, I am introducing today, together with the distinguished ranking minority member of the Committee on the Judiciary, Senator STROM THURMOND, a bill which would allow the Attorney General to modify fees now set by law for the service of process by the U.S. Marshal Service (USMS). The fees to be set by the Attorney General would permit recovery of the actual costs of providing such services to private litigants who currently receive this unique benefit when a party to civil litigation.

The cost to the American taxpayer due to the loss of Federal revenues for service of civil process has accelerated for the past 10 years. The costs of these services are not recovered through fees imposed by USMS but are paid from general Federal revenues. In fiscal year 1975, GAO estimated that costs for private civil process exceeded revenues by more than \$3,800,000.

Establishment of fees based on annual USMS computations is the most effective method for meeting these continually rising expenses and is consistent with the principle that Government programs having particular benefits for identifiable recipients should be self-sustaining to the extent practical. Service of process by the USMS is not mandatory for litigants and it would be possible to use commercial firms for this purpose; however, the fees of the Federal Government will still by comparison be very low.

Mr. President, a similar bill which was the result of efforts by the Attorney General was passed by the Senate in 95th Congress on April 27, 1978. ●

By Mr. HART:

S. 315. A bill to amend the Internal Revenue Code of 1954 to reduce for a 5-year period the taxes on transportation of persons and property by air; to the Committee on Finance.

● Mr. HART. Mr. President, last year the House of Representatives and the Senate Commerce Committee approved legislation to give domestic and some foreign airlines an estimated \$4 billion over the next 5 years to help pay for quieter airplanes in order to comply with

Federal antinnoise regulations. In brief, provisions of the Aircraft and Airport Noise Reduction Act reduced by 2 percent the airline passenger ticket tax presently in effect to raise revenue for the Airport and Airway Trust Fund, and then imposed a 2-percent noise abatement charge on the sale of each ticket.

I and a number of my colleagues were troubled by the establishment of such a funding mechanism. Aside from the dangerous precedent it would set by providing funds through a tax or surcharge to help private industry meet Federal environmental standards, it was a step in the direction of increasing Government interference in the marketplace.

On September 22, 1978, I introduced an amendment to eliminate the noise abatement charge and simply reduce the ticket tax by 2 percent, which would allow the consumer to pocket the saving. This would leave the airlines to take care of their noise problems in the most competitive manner. More importantly, this course would be the most consistent with our urgent national need to combat inflation. Although the legislation finally approved by the Senate on the last day of the 95th Congress followed this approach, the House conferees failed to adopt the bill and thus it was never enacted into law.

Mr. President, today I am introducing legislation to reduce the airline ticket tax from 8 percent to 6 percent, a reduction which both the House and Senate found to be clearly warranted last year. Under current law, revenue from the 8-percent domestic ticket tax now paid by airline passengers goes into the Airport and Airway Trust Fund which supports airport safety, maintenance, and construction. It is generally conceded, and testimony before the appropriate congressional committees has confirmed, this trust fund enjoys a growing surplus. Since its inception in fiscal year 1971 until the present, operation of the trust fund has brought about substantial imbalances in income and appropriations, with a resulting surplus at the end of fiscal year 1978 of nearly \$2 billion. If the present program and user taxes remain unchanged, the excess is expected to be \$7.4 billion at the end of fiscal year 1985. The legislation I am introducing would reduce the ticket tax for 1 year, so Congress would have an opportunity to assess the effect of this reduction on the trust fund.

Congress acted wisely last year by refusing to divert 2 percent of the ticket tax to subsidize the noise abatement efforts of the airline industry. Now, however, Congress has a duty to take the logical next step and reduce the unnecessary 8-percent tax to 6 percent so that airline passengers will no longer be burdened by a tax that is 25 percent higher than needed to fulfill its purpose.

Mr. President, if airlines presently earning record profits are going to claim hundreds of million of American tax dollars as their own, then I am willing to make the same claim on behalf of the American consumer. It was the American consumer who lost when Congress failed to enact the ticket tax reduction last year, the same American consumer who

has been the victim of high inflation and unnecessary taxation in recent years.

Reducing the ticket tax may help the airlines as well as consumers. If sales go up 2 percent because the price has gone down 2 percent, which is not unrealistic, then the elimination of the tax and the resulting reduction in the price to the public will mean no decline in the total revenue that the carriers realize. The total amount paid by the customers will be the same as before, and since the Government is no longer taking its 2 percent, the carriers will get every single dollar of the 2 percent. Only if demand were to be totally unresponsive, as the price does go down 2 percent, will the carriers earn no additional dollars. They would not be worse off, but consumers would just retain the 2 percent saving. If demand responds at all, however, the carriers will enjoy an increased cash flow. Former chairman of the Civil Aeronautics Board Alfred Kahn testified in this regard during hearings before the Senate Commerce Subcommittee on Aviation last year.

Mr. President, I commend the Senate Aviation Subcommittee for the legislation it developed in the last Congress in response to the problem of excessive noise levels around airports. This is a serious issue deserving the continued consideration of this body. The legislation I am offering today will in no way interfere with future legislative efforts to develop programs for airport and aircraft noise reduction. Rather, my bill merely corrects the inequity developed by excessive taxing of airline passengers to support a trust fund in substantial surplus.

When the purpose of a tax has been fulfilled, Congress has a duty to eliminate or appropriately reduce that tax. This is a fundamental responsibility of any legislative body. The American people expect their Representatives here in Washington to accept that responsibility and act accordingly. I hope the Senate will move expeditiously on this matter.

I ask unanimous consent that the text of the bill be printed in the *RECORD* at this point.

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

S. 315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsections (a) and (b) of section 4261 of the Internal Revenue Code of 1954 (relating to transportation of persons by air) is amended by striking out "8 percent" and inserting in lieu thereof "6 percent".

(b) The amendments made by subsection (a) shall apply with respect to transportation beginning during the period beginning on July 1, 1980, and ending on June 30, 1981.

SEC. 2. (a) Subsection (a) of section 4271 of the Internal Revenue Code of 1954 (relating to the transportation of property by air) is amended by striking out "5 percent" and inserting in lieu thereof "3 percent".

(b) The amendment made by subsection (a) shall apply with respect to transportation beginning during the period beginning on July 1, 1980, and ending on June 30, 1981.●

By Mr. BENTSEN:

S. 316. A bill to provide price incentives for production of crude oil from deep

stripper wells; to the Committee on Energy and Natural Resources.

DEEP STRIPPER WELL INCENTIVES ACT OF 1979

● Mr. BENTSEN. Mr. President, the business of exploring and drilling for oil is a different game today than it was 40 and 50 years ago. In those days, not much was known about Earth sciences or the geology of oil-bearing structures. When Pop Joiner sunk his first well into the east Texas oilfield, he did not have today's sophisticated geophysical equipment to help him find the reservoir. Fortunately for him, he did not need it. The east Texas field was hard to miss—it covered 203 square miles and contained an estimated 5.6 billion barrels of oil.

There are still plenty of individuals like Pop Joiner around today, striking out on their own in search of oil and gas. In fact, independent producers presently drill nearly 90 percent of the Nation's exploratory wells. But they no longer look for gigantic pools of oil like the famous Yates, Wasson, Slaughter, Hawkins, and Seminole fields of Texas. They realize that the days of the easy find have long since passed. Although other major discoveries may await us in the Outer Continental Shelf or the frozen expanses of Alaska, they will require greater ingenuity and expense to locate and produce.

To be sure, there are still vast amounts of oil to be found and produced in the United States and its coastal waters. But the bulk of our domestic production will no longer come from a handful of gigantic fields, but rather will come from thousands of small and deep pockets of oil. Our energy future is strongly tied to our success in developing these hard-to-find and expensive-to-produce reserves, and to our ability to squeeze from them every last drop of recoverable oil.

With this in mind, it is disturbing to know that many of our Federal energy policies have the effect of reducing the amount of recoverable oil in domestic reservoirs—particularly in those reservoirs with low rates of production. Today the average daily production for the 500,000 wells in the United States has dropped to 16 barrels of crude, compared to 5,500 barrels per day for the average well in the Middle East. As production rates decline, well owners frequently find that operating and maintenance costs actually exceed their production income under governmentally controlled prices. When this happens, the owners are forced to plug their wells and abandon the remaining oil, even though the property may still have several more years of steady, low level production.

Congress has already recognized that we cannot afford to lose the contribution of marginally economic wells to the total domestic energy supply. In an amendment to the Energy Production and Conservation Act of 1976, we established a permanent category of "stripper wells" which produce less than 10 barrels of oil per day. To help prolong the life of these wells, their crude oil production was exempted from Federal price controls. By providing world market prices for stripper oil, the rate of well abandonment has been significantly reduced. In 1976, the last year for which data is

available, well abandonments were cut by 42 percent over the average for the previous 5 years.

Today stripper wells yield about one million barrels of crude per day, or 14 percent of our total domestic production. Much of this oil would otherwise have been lost to abandonment had not price incentives been provided for these marginally economic properties.

However, despite the success of the stripper well provision, many marginal properties are still being shut in because the current stripper definition fails to take differing production conditions into account in determining eligibility for price incentives. It should be obvious that a 6,000-foot well producing 11 barrels a day is more expensive to operate than a 1,500-foot well producing less than 10 barrels. The costs of pumping, maintaining and reworking wells are all directly related to well depth.

In November, the Department of Energy published for comment four alternative proposals for providing price relief for marginal properties. I have reviewed each of the DOE proposals and find them generally insufficient given the size of the problem. Furthermore, by the time DOE actually gets around to implementing a program of price incentives for marginal properties, many additional producing wells will have been abandoned.

For this reason, today I am introducing legislation to immediately address this problem by establishing a new category of "deep stripper" properties which, like the present class of stripper properties, will be exempt from Federal price controls. To account for differences in operating conditions, the average production ceilings for eligibility under this category will vary according to the depth of the well. My bill defines a deep stripper well as one that produces less than 20 barrels per day from a depth of 2,000 to 4,000 feet, or less than 25 barrels per day from a depth of 4,000 to 6,000 feet, or less than 30 barrels per day from a depth of 6,000 to 8,000 feet, or less than 35 barrels per day from a depth greater than 8,000 feet.

The effect of this bill will be to significantly prolong the life of thousands of deep wells which would otherwise be the victims of rising production costs. Approximately 14 percent of our current domestic production will qualify for price incentives under this definition of deep stripper oil. If this legislation is enacted, this percentage will gradually increase as more and more deep stripper wells are saved from abandonment. Over the next 8 years, this legislation would lead to the production of an additional 1.5 billion barrels of oil equivalent of crude and natural gas, and by the end of the eighth year would increase domestic crude production by 700,000 barrels per day and natural gas by 800 billion cubic feet per day.

This legislation also clarifies the status of injection wells in determining a property's eligibility for stripper or deep stripper price incentives. Because injection wells—like producing wells—are expensive to drill, operate, and maintain, my bill makes it clear that injection wells should be counted in comput-

ing a property's average annual production per well.

I believe this practice is consistent with congressional intent in the Energy Production and Conservation Act and with other established Federal policies. For more than 40 years, the Secretary of the Interior has consistently included injection wells in the well count for the purpose of calculating royalty payments to the Government for production on Federal lands. It is a practice also followed by State regulatory agencies, such as the Texas Railroad Commission, for calculating maximum production quotas. Although the inclusion of injection wells will not significantly increase the amount of production under the stripper and deep stripper categories (5 percent of U.S. total), it will add an element of consistency and fairness to the determination of stripper eligibility.

Mr. President, the legislation which I am introducing today will prolong the producing lives of 95,000 wells, yet will cost the consumer no more than seven-tenths of a cent per gallon of gasoline. Our Nation can no longer afford an energy policy that forces producers to shut in wells that collectively still contain billions of barrels of recoverable oil. I urge my colleagues to join me in supporting this legislation to provide needed price relief for deep stripper properties. ●

By Mr. DeCONCINI:

S. 317. A bill to limit the standing of a foreign sovereign to sue under the antitrust laws of the United States; to the Committee on the Judiciary.

ANTITRUST RECIPROCITY ACT

● Mr. DeCONCINI. Mr. President, I introduce today a bill which is intended to limit the effect of *Pfizer, Inc. v. Government of India*, 98 S. Ct. 584 (1978) in which the Supreme Court ruled that a foreign nation is entitled to sue for treble damages for alleged violations of our antitrust laws. The Court arrived at this conclusion by reading the word "person" in section 4 of the Clayton Act to include foreign nations, despite the fact that in an earlier case it had found that the U.S. Government was not a "person" within that same section. In so doing, I believe the Court entered the legislative arena and exercised an essentially legislative judgment. And it did so, even though there was no legislative history to justify such an expansive reading. In fact, the Court expressly acknowledged that the question of the right of a foreign government to sue was apparently never considered at the time the Sherman and Clayton Acts were enacted.

The time has come for Congress to make its intent clear. The bill I introduce today is based on a bill which I introduced last year which was favorably reported by the Judiciary Committee as an amendment to the Illinois Brick legislation. Initially, it would afford a foreign nation the same status as the United States under our antitrust laws, allowing it to recover actual damages, but not punitive treble damages. The right to sue, however, is not absolute. Under this proposal, a foreign sovereign must meet two criteria in order to bring a suit for actual damages.

First, the bill requires that the foreign sovereign recognize a general right of the United States to sue on a civil claim in the courts of that foreign country, just as we recognize the right of foreign sovereigns to prosecute civil claims in our courts. The bill also requires that the foreign sovereign have laws prohibiting restrictive trade practices which are in fact enforced against persons doing business in the country. By requiring actual enforcement, the bill addresses situations like that in Japan where antitrust laws exist but are virtually ignored.

In developing this legislation we considered making the right to sue strictly reciprocal—that is, contingent on the right of the United States to sue in the courts of the foreign sovereign for the same relief under their antitrust laws. This approach was rejected as too restrictive. Many nations which have antitrust laws simply do not have a provision for a private right of action comparable to section 4 of the Clayton Act. Furthermore, I think it unnecessary and ill-advised to make the right to sue dependent on the existence of foreign laws formulated precisely like our own.

I believe that equity is served if the right of a foreign sovereign to sue is triggered by a demonstrated commitment to the concepts embodied by our own antitrust laws. As Chief Justice Burger stated in his *Pfizer* dissent, foreign sovereigns are free to enact and enforce comprehensive antitrust laws. Many nations have in fact done so. In 1958, for example, the European Economic Community by the Treaty of Rome agreed to prohibit practices which would result in the elimination or restriction of competition within the Common Market countries. And in fact, India and the Philippines who were respondents in the *Pfizer* case, as well as West Germany, who appeared as amicus curiae, have enacted antitrust laws of some kind. However, many nations still have no laws comparable to our antitrust legislation. I see no reason to allow a foreign nation the right to sue an American company for practices which it does not attempt to condemn under its own laws.

Let me emphasize, however, that the purpose of this bill is not to penalize any nation. Each country remains free to accept or reject anticompetitive trade practices. But the United States ought to utilize its own courts to promote healthy competition and not to reward nations which, on the one hand, allow and sometimes encourage monopoly and price-fixing but, on the other, demand to sue when they are the victims of such practices. Justice requires that those nations who do make an honest effort should be afforded the same consideration under the same circumstances as the United States. Those which do not, however, should not be allowed to sue under section 4 of the Clayton Act.

Mr. President, let me also emphasize that this legislation in no way undermines the basic objectives of our antitrust laws—the compensation of victims of anticompetitive practices and the deterrence of illegal conduct. The bill does not eliminate suits by foreign governments. It allows those countries who have demonstrated a commitment to the

policies underlying our antitrust laws to be compensated for their actual damages. And I see no reason to think that the elimination of suits by foreign countries who do not meet these standards will have an appreciable impact on the deterrent effect of section 4. I have seen no evidence that foreign countries have played an important role in detecting violations.

On the contrary, it seems more probable that a foreign country will simply bring suit following other civil or criminal proceedings arising out of transactions in the domestic market. Such was certainly the case in *Pfizer*, where the suit by India and the other countries was one in a long line of other suits by American consumers and businesses.

In basing my bill on a concept of general reciprocity, I have attempted to achieve a rational balance between competing interests while preserving the basic policies of our antitrust laws. The thrust of the bill is positive. By its enactment, we would demonstrate our intent to encourage other nations to recognize the right of the United States to sue in foreign courts, thus providing an opportunity for the United States to vindicate any claims it might have under foreign laws in the courts of that country. By its enactment, we would also signal our commitment to encourage other nations to adopt standards of fairness in the marketplace which are consistent with those reflected in our antitrust laws.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 317

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

SEC. 2. Section 4 of the Clayton Act is amended by adding at the end of that section the following new language:

"Provided, however, that suits under this section brought by foreign sovereign governments, departments or agencies thereof, shall be limited to actual damages; and, provided further, that no foreign sovereign may maintain an action in any court of the United States under the authority of this section unless the Attorney General of the United States, within 120 days after the commencement of the action, has certified to the relevant court or a relevant court otherwise finds—

(1) the United States is entitled to sue in its own name and on its own behalf on a civil claim in the courts of such foreign sovereign; and

(2) such foreign sovereign has laws prohibiting restrictive trade practices which are enforced against persons doing business within its territory."

By Mr. HAYAKAWA:

S. 323. A bill to repeal the provisions of title 23 of the United States Code requiring a national maximum speed limit of 55 miles per hour; to the Committee on Environment and Public Works.

Mr. HAYAKAWA. Mr. President, I introduce for appropriate reference a bill to repeal the provisions of title 23 of the United States Code requiring a national speed limit of 55 miles per hour. My bill

will return the authority and the responsibility to the State to determine what speed limit is required to meet the safety, fuel, and economic needs that exist within that State.

The national 55 mph speed limit law was enacted as a temporary conservation measure after the 1973 Arab oil embargo, but later became a permanent law. The intent of this action was to conserve on the precious oil that had become such a vital part of lives in the United States. When first enacted, an attitude of national emergency prevailed and there was support and general compliance with the law. However, as the "crisis" appeared to lessen, people gradually assumed their old driving habits. Enforcement has become less strict in some States and much more difficult to enforce in other States because the people have begun to voice their displeasure with the restricted mobility.

The Department of Transportation has recently admitted that only an estimated half of the driving population now observes the 55 mph speed limit. They also concede that the fuel saving from the 55 mph speed limit is considerably less than they had hoped for. You should note that I am not advocating a particular speed limit; that question must be determined by each State. In fact, it is quite possible 55 mph is a reasonable speed limit for the roads and traffic conditions in some States, it is also quite possible that some States might decide that 65 or 70 mph would be a more reasonable speed for their highways. I would certainly hope that much thought, study, and consideration would go into that determination.

One other fact is the widespread use of the CB radio. This has enabled drivers of trucks as well as drivers of passenger cars to evade the speed limits completely by warning each other of the presence of traffic officers as they continue speeding.

The decrease in highway deaths, which has been directly attributed to the 55-miles-per-hour speed limit by the Department of Transportation, is not a matter to be overlooked. I should remind you, however, that the Department does not tell us what percent of that saving was because of the increased use of seat belts, or from safety features on the newer cars, or even as a result of State safety inspections. As I have indicated before, since coming to Washington I have learned that numbers are not always what they appear to be. The Department of Transportation has acknowledged that their statistic for highway deaths includes pedestrians, automobiles, truck-involved accidents, and motorcycles. Although I am not advocating a return to mandated helmet laws, motorcycle deaths have increased at an astounding rate over the past 2 years.

Enforcement of the 55-miles-per-hour speed limit has been a problem since its enactment. From 1974 through 1977 nine States increased penalties for violation; seven States decreased penalties. More recently, though, 11 States have, or will soon consider, legislation to either raise the legal speed limit or abandon efforts for enforcement. Not only do the

States not receive additional funds to assist with enforcement, the Secretary of Transportation is required to withhold Federal-aid highway projects in any State which fails to certify annually it has and is enforcing the 55-miles-per-hour speed limit.

This matter of financial penalty in this outdated Federal law is an absurd and unnecessary control by the Federal Government concerning the jurisdiction of the States. Should the Federal Government really be deciding priorities and assessing penalties to the States? I think not.

I hope that my colleagues will give serious thought to my bill and join me in returning this responsibility to the States.

Mr. President, I ask unanimous consent that a recent news release be printed at this point in the RECORD.

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

SPEED

(By Conrad Yunker)

Several western states, where a motorist can drive miles and miles without seeing a town let alone reaching a destination, are renewing a 5-year war with the federal government over the 55 mph speed limit—and the Department of Transportation may be fueling that rebellion.

Led by Wyoming, 11 states have or soon will have bills in the hopper to either boost the legal speed to 65 or severely hamstring efforts to enforce the 55 mph limit.

One bill already has passed the Wyoming Senate and awaits action by the House. In that state, Gov. Ed Herschler had refused to take a position on the issue—but then received a threatening telegram Saturday from DOT Secretary Brock Adams.

"Secretary Adams sent, in no uncertain terms, a cutoff of highway funds if the 65 mph limit is passed," Herschler said. "We have been threatened that if we don't take steps to correct this, we'll be relieved by 5 percent of our highway funds in 1980, and by 10 percent in 1981."

"I think they're using a heavy hand. I don't like it. Does the federal government own the highways? If so, we'll ask them to come out and maintain them and enforce the laws, with federal marshals if necessary."

Other western states watched as Wyoming argued the issue, but now have joined in.

"If five or six states have guts enough to tell the federal government to go fly a kite, I don't expect them to take away their highway funds," said Al Henry, the Chairman of the Washington State Senate Transportation Committee, in introducing a similar proposal.

"Everybody's tired of driving 55 mph. It's tying up the state patrol and it's unpopular."

In Colorado, freshman Rep. Bob Stephenson introduced a bill to reset the speed limit at 65, saying he was "tired of being black-mailed by the federal government with our own money."

"First, we pay federal tax on the gasoline, then they give it back to us in the form of highway aid, but only if we agree to go by their speed limit," he said. "People are driving 65 mph, so we might as well make it legal."

Under current statutes in Oklahoma, where about \$80 million in federal funds is at stake, the speed limit goes up if 29 other states increase theirs. But state Rep. Jim Townsend said he was preparing an amendment to that law to remove all references to the 29 other states, thus automatically moving up the limit.

"I support Wyoming in their courageous move to come to grips with federal blackmail," Townsend said. He said the federal

government "cannot buy power through appropriations. The people of these United States are not driving at 55 mph. If you think they are, you drive at 55 and create a bottleneck and a traffic jam."

Elsewhere, a Texas lawmaker said if his colleagues would vote the way they drive his bill upping the limit to 70 would pass and an Oregon State Senator said he would introduce a bill removing the 55 MPH limit because it results in an uneconomic use of freeways designed for higher speeds.

A Montana Senate Committee has been asked to consider a bill raising the limit to 65 mph, although the sponsor fears the loss of federal funds.

In Missouri, the 55 mph limit is only temporary and requires re-enactment every two years. State officials figure failing to comply with the national mandate will mean a loss of about the same amount of money it costs to enforce the law. That may mean the Missouri legislature will be less reluctant this year to prevent the maximum highway speed from automatically reverting to 70 mph next January.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that the article by James Robins, which appeared in the October 20, 1978, Wall Street Journal, be printed at this point in the RECORD.

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

HIGHWAY MASSACRE: NOWADAYS, CARNAGE ISN'T ALL ACCIDENTAL

(By James Robins)

Two high-performance Pontiac Firebirds drive parallel on a suburban Dallas freeway, the occupants loudly cursing their opposite numbers. A pop bottle is hurled. Both drivers pull off the highway, and in the fight that follows James Roach Jr., an 18-year-old college freshman, is fatally stabbed through the heart.

On a Houston boulevard, a man named Leo Beckwith, aged 25, swerves his automobile so it can't be passed by an auto closing from the rear. At the next traffic light, one of the two men in the other car shoots Mr. Beckwith in the head, leaving him critically injured.

The Santa Ana Freeway near Los Angeles: Howard Swearingin, 35, allegedly forces a nearby station wagon into the highway's median divider, then throws the other driver from his vehicle onto the asphalt and commandeers the station wagon, wildly ramming 39 other vehicles before coming to a halt against the rear end of a utility truck.

WILD WEST REVIVAL

These episodes are part of what police call a growing blood-and-guts sideshow amid the congestion on highways in Texas and California, with frustrated drivers exhibiting near-pathological violence and often using 3,000-pound automobiles as weapons.

"We call them 'car wars,'" says Lt. Steve Ellis, an administrative assistant with the California Highway Patrol. "Most often it's a guy flagrantly violating the 55-mile-per-hour speed limit and another guy who won't pull over for him."

"It's outrageous, but it's happening," says Col. Wilson E. Speir, chief of the Texas Department of Public Safety. "We've talked to our men and emphasized that they need to be increasingly alert." Most Texas state troopers now make a point of wearing their new bullet-proof vests when they are on patrol.

Police Capt. Joe Lowe, who is investigating the Roach stabbing in Irving, Texas, estimates that highway violence of this type has increased by about 25% in the past five years in his area. But the trend is difficult to document, since there is no legal formulation

for such incidents as "rammed over lane change" or "bashed from behind by driver wishing to pass."

"If they don't duke it out or shoot it out, it doesn't show up in the statistics," says California's Lt. Ellis.

THE URGE TO KILL

But there is evidence that driver frustration can reach homicidal proportions. In a University of Utah study of Salt Lake City motorists, 12% of the men and 18% of the women in the study group said that at times they "could gladly kill another driver."

It appears that the areas most prone to this motorway mania are those that have experienced a sharp increase in highway congestion over a short period of time, so that drivers haven't had the generations of conditioning like those, for instance, who inch daily along the Long Island Expressway and the other highways around New York City.

"People are accustomed to it here; they expect to creep along," says Deputy Inspector Theodore Sockton of the New York City Police Department's traffic division.

Even in California, birthplace of the freeway, motorists have had some years to adjust themselves to the frustrations of traffic congestion. Lt. Ellis says the increase in highway violence there is about equal to the 4% or 5% yearly increase in freeway traffic.

The real bloodletting seems to be taking place in Texas, where traffic volume has skyrocketed in the last five years. Houston's perpetually jammed Southwest Freeway, designed to handle about 150,000 cars a day, was up to 160,000 a day by July 1973, and by this summer the volume had soared to 230,000 vehicles a day, with more than 400 additional autos being registered in the city daily.

Capt. John LeVrier, head of the Houston Police Department's accident division, says hit-and-run statistics reflect rising highway violence. The city tallied 7,926 such incidents in 1975; the total vaulted to 11,009 in 1977.

"We've just got more people and more vehicles trying to occupy the same space at the same time," says Capt. LeVrier. As for highway violence in general, he says, "The problem has steadily grown, and I think it will grow steadily worse."

The hit-and-run statistics for Dallas don't show that kind of increase, but there is plenty of violence nonetheless, as on the North Central Expressway, considered by many the worst freeway in the state. It has a design capacity of about 60,000 autos a day, but average daily traffic this summer was 111,000 vehicles.

Police have reported angry motorists in fist fights along the expressway's service roads. Morning radio reports almost always mention several rush-hour wrecks along the highway, many proving to have elements of highway violence. Drivers often will accelerate to prevent an auto on an entrance ramp from entering the traffic flow.

A young doctor recalls having his auto chased along the highway by another motorist. The doctor's wife, a nurse, says carnage from the incidents on this thoroughfare can be seen daily in the hospital where she works.

The social scientists are beginning to look into this unusual motorway behavior. Richard Evans, a social psychologist at the University of Houston, thinks the violent driver most often is a person who is extremely competitive, impatient and preoccupied with work.

He likens the behavior of violent drivers to animals that find their mobility restricted. "Some of these people can manage the stress through experience," Mr. Evans says, "but others who have a deep enough impatience can't handle this kind of pressure."

Dr. Morris Chafetz, a Washington, D.C., psychiatrist, describes the violent driver as one whose personality is so strongly interwoven with his vehicle that it becomes a

personal assault when another driver cuts in front of him or passes him. When such persons strike back violently, says Dr. Chafetz, it is tantamount to "infantile retaliation." As the congestion and the frustration increase, he says, "Shaking their fists is no longer enough."

Bill Jacquez, an officer with the California Highway Patrol's central Los Angeles division, cautions that the violent driver may be a "meek little office worker . . . the guy who lives next door to you, until somebody cuts him off, and then this mild-mannered man turns into a revenge-seeking fool."

By Mr. BELLMON:

S. 324. A bill to change the name of Clayton Lake in the State of Oklahoma to Sardis Lake; to the Committee on Environment and Public Works.

● Mr. BELLMON. Mr. President, I am introducing a bill today to correct a situation that occurred inadvertently due to the Flood Control Act of 1962. This act provided for a new reservoir to be constructed in Pushmataha County, Okla.

This reservoir, presently under construction, was named Clayton Lake in the legislation. Less than 10 miles from the site of the new lake is an existing Clayton Lake. Many Oklahomans have contacted my office pointing out the confusion that would result from two lakes of the same name in the same county.

The bill, which I am introducing today, will rename the lake, Sardis Lake, after the town of Sardis which will be partially inundated by the new reservoir. The name Sardis was chosen by the residents of Pushmataha County during a public meeting.●

By Mr. STONE (for himself, Mr. CHILES, and Mr. WEICKER):

S. 325. A bill to establish a program to develop marine artificial reefs in waters of U.S. jurisdiction; to the Committee on Commerce, Science, and Transportation.

MARINE ARTIFICIAL REEF DEVELOPMENT ACT OF 1979

● Mr. STONE. Mr. President, today I am reintroducing legislation that would establish a program to improve fishing in U.S. waters. I am very pleased that Senators CHILES and WEICKER have joined with me in cosponsoring this legislation.

Recreational fishing is one of Florida's major industries and is important to the economy of every coastal State. Recreational fishing is not only a popular sport but also a significant food source. The National Marine Fisheries Service estimated that in 1970 about 1.6 billion pounds of edible fish were caught by recreational fishermen, over 30 percent of all the edible fish caught that year.

Artificial reefs serve as breeding grounds for small fish, that in turn attract larger fish. These reefs can be built from a variety of materials, such as old automobile tires. Therefore, the construction of these reefs would not only attract fish but in many cases put waste materials to a good use.

A good example of a fishery that would benefit from additional rough bottom habitat is the snapper/grouper fishery in the Gulf of Mexico. There is limited rough bottom habitat available, snapper/grouper stocks are being fished at or near maximum sustainable yield and the capacity of the U.S. recreational and com-

mercial fishermen to take these species is increasing. Artificial reefs can provide the needed additional habitat and, if managed properly, help to maintain stocks of fishes at levels that will provide acceptable catches to anglers while insuring continuance of the snapper/grouper resources.

Many of the artificial reefs that have been constructed over the last 40 years have been initiated by local groups without State or Federal assistance. Some of these are successful, however, many more are not completed because these groups are not prepared for the expense and time required to build a reef properly. Federal funding and State supervision of artificial reef construction would assure proper construction and realization of the maximum management potentials from these reefs.

The Atlantic and gulf regions of our country are particularly concerned with the development of marine artificial reefs. On September 13, 14, and 15 of this year, there will be a major conference on artificial reefs held in Daytona Beach, Fla. This conference will be sponsored by Florida Sea Grant College and will bring together representatives from many of our coastal States and Federal and State government.

Under this legislation, the Secretary of Commerce, acting through the National Marine Fisheries Service, would be authorized to make grants to the States to cover 75 percent of the cost of developing artificial reefs in the State waters. The sites of these reefs would be determined after consultations between the Secretary and the individual fishery management councils that were established by the Fishery Conservation and Management Act of 1976. The reefs would be located in nonproductive waters and would have to comply with all applicable Federal and State laws and regulations. This bill would authorize \$2.5 million annually for the next 5 years to build these reefs and administer the program.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Marine Artificial Reef Development Act of 1979".

CONGRESSIONAL FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds and declares the following:

(1) Fishing in U.S. waters is important to harvesting of protein for human consumption, to the economies of shore communities and to the well-being of millions of fishermen.

(2) There is an existing need for properly constructed artificial reefs in many of the marine areas under U.S. jurisdiction to increase the numbers and availability of fish, particularly for the recreational fishing industry.

(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act—

(1) to establish a mechanism that will enable States to develop artificial reefs in waters under U.S. jurisdiction;

(2) to enhance fishing by developing accessible quality fishing grounds and further

avoid conflicts between commercial and recreational user groups;

(3) to provide for financial assistance to qualifying States for the implementation of this program;

(4) to encourage the use of appropriate Federal surplus properties as artificial reef materials; and

(5) to promote cooperative agreements between salvage companies and the Federal Government to provide transportation of vessels or material to the site of approved reefs.

PROGRAM

SEC. 3. (a) AUTHORIZATION.—The Secretary of Commerce, acting through the National Marine Fisheries Service, is authorized (1) to make grants to the States listed in paragraphs (1), (2), (3), and (5) of section 302 (a) of the Fishery Conservation and Management Act of 1976 to cover 75 per centum of the cost of developing marine artificial reefs in the territorial waters of such States for the purposes of this Act; and (2) to develop such habitats in the fishery conservation zone off the coasts of such States for such purposes.

(b) REQUIREMENTS.—Such habitats shall—
(1) be located on appropriate areas of bottom as determined by the Secretary after consultation with the appropriate States, the Coast Guard and regional fishery management councils established pursuant to such section 302(a);

(2) comply with all applicable Federal and State laws and regulations; and

(3) comply with regulations established by the Secretary of Commerce in order to best carry out the purposes of this Act after consultation with such regional councils.

FISHERY MANAGEMENT COUNCILS ADVISORY AUTHORITY

SEC. 4. Each fishery management council established pursuant to paragraphs (1), (2), (3), and (5) of section 302(a) of the Fishery Conservation and Management Act of 1976 shall recommend to the Secretary or the appropriate State a fishery management plan for each habitat established pursuant to this Act in the region of such council.

DEFINITIONS

SEC. 5. For purposes of this Act—

(1) the term "fish" means any species of living aquatic resource, native or introduced, of finfish, mollusk or crustacean or other aquatic invertebrate, amphibian, reptile or mammal; and

(2) the term "artificial reef" means any material which when intentionally placed in appropriate aquatic areas, provides or improves conditions to promote the survival and abundance of fish.

AUTHORIZATIONS

SEC. 6. There is authorized to be appropriated not to exceed \$2,500,000 for the fiscal year ending September 30, 1980, and for each of the four succeeding fiscal years, for the purpose of carrying out the provisions of this Act. Amounts so appropriated shall remain available until expended. Five per centum of the amount so appropriated for each fiscal year shall be available to the Secretary for administering the provisions of this Act.

● **Mr. WEICKER.** Mr. President, I am very pleased to support the Marine Artificial Reef Development Act of 1979. This act would establish a program to develop artificial marine reefs for the waters of the United States.

Vast stretches of our Nation's coastline are expanses of underwater deserts, particularly along the Atlantic and Gulf of Mexico. These areas are not suitable for many species of marine life particularly those that require rocky habitats. Such species as grouper, snapper, tautog, and sea bass require solid substrate and

protective cover which are essential to the survival of these and many other marine organisms.

Fishing is important to the economies of all coastal States. In recent years however, increased fishing pressure has often exceeded the maximum sustainable yield. Fishing pressure by the recreational and commercial industries is increasing and further threatens many stocks of fish.

Artificial reefs can enhance fish populations by providing places for some species to breed and as nursery grounds. In addition artificial reefs provide areas for food organisms to gather and cover to protect fish from predators. Large fish which are attracted to the reefs by smaller fish can provide a resource to the sport fishing industry which, by the way, is a \$2 billion business in this country. Other fish that use the reefs as breeding or nursery grounds may migrate offshore and support commercial fishing.

Artificial reefs can be built with a variety of materials; from old ships to automobile tires and rock rubble. They therefore, would not only enhance fish populations but would put waste materials to good use.●

By Mr. BUMPERS:

S. 326. A bill entitled the "Taxpayers' Bill of Rights Act," to the Committee on Finance.

● **Mr. BUMPERS.** Mr. President, I am introducing a bill to put taxpayers on a more equal footing with the Internal Revenue Service and, in so doing, restore confidence in the equity of the Federal tax laws. The bill will ensure that taxpayers are informed of the procedural options available to them in resolving disputes with the Internal Revenue Service, which is too often misperceived as a tyrannical adversary; it will aid them in traversing those often-confusing avenues; it will guarantee that investigations and recordkeeping will be confined to legitimate revenue-collecting purposes; and it will institute a survey and audit of the administration of the tax laws.

Presently the Internal Revenue Code contains procedural devices which, for the most part, afford informed taxpayers ample opportunity for contesting or agreeably settling their tax liability. However, taxpayers must be better informed, at the outset, of the remedies available to them. Currently, the IRS informs taxpayers of these remedies in a piecemeal fashion at best. Consequently, taxpayers hesitate to avail themselves of the remedies, fearing what missteps and pitfalls may await them. The bill at the outset helps overcome that hesitancy by requiring the IRS to provide taxpayers with suggestions, which will also outline the IRS's options, such as seizure and sale, which this bill leaves largely undisturbed.

The bill also creates an Assistant Commissioner of Internal Revenue for Taxpayer Services, just as there already is an Assistant Commissioner for Employee Plans and Exempt Organizations. The new Assistant Commissioner will provide services largely provided now by the Commissioner of the Internal Revenue

through the IRS. For example, this Assistant Commissioner will provide assistance in preparing returns. Also, the Assistant Commissioner will perform functions which the IRS is not currently performing adequately, such as receiving and acting upon complaints, and soliciting taxpayers' evaluations of the administration of the tax laws. In addition, the Assistant Commissioner will be empowered to intercede in support of taxpayers confronted with an overly harsh application of the Tax Code's enforcement procedures.

Splitting off the present functions from the Commissioner and adding further functions will encourage the civil servants specifically charged with performing those functions to do so fully. Under the present law, a civil servant can be too often required to act simultaneously as tax collector and taxpayer helper, with emphasis on the former. The inevitable conflict is resolved in favor of the former to the detriment of the latter. The bill will oblige some IRS employees to act solely for the taxpayer's benefit, which should benefit us all.

Furthermore, the Assistant Commissioner for Taxpayer Services will also be armed with the authority to issue orders on behalf of taxpayers who are faced with an unusual, unnecessary and irreparable loss resulting from the administration of the tax laws. These orders will be in the nature of a stay, allowing a more equitable solution to be worked out. The authority is necessary because the tax laws can sometimes have an unanticipated and devastating impact upon some taxpayers. Moreover, it better assures the taxpayer of fair treatment at all times, because it allows the Assistant Commissioner to undo the ill effects of any unfair treatment accorded a taxpayer. In short, it adds an element of equity which is otherwise lacking in tax collection procedures, much as the equity power of the English chancery was added to the late common law to modify the latter's rigidity.

In addition, the bill will allow the taxpayer to be interviewed at his residence or place of business, which is less intimidating. Also, taxpayers thus can bring the IRS agent to their books, rather than possibly suffer the inconvenience of bringing their books to the agent. These provisions are consistent with the requirement that the IRS provide a summary of rights and obligations, providing further assurance that they will be knowingly exercised.

Finally, the bill contains enforcement provisions which guarantee the preservation of those rights. Most importantly, the taxpayer is allowed to recover damages from those who infringed those rights or any other rights. In addition, the bill prohibits investigations and record-keeping by revenue agents which go beyond the bounds necessary for enforcing the revenue laws. This prohibition is enforceable both by fines and by civil suits seeking damages or injunctive relief or both. As a related provision, the bill authorizes the tax court to award costs, including reasonable attorney's fees. Currently, citizens litigating against the Government can be awarded attorney's fees in tax cases only if the

Government is found to have proceeded in bad faith.

Thus, taxpayers too often refrain from bringing cases to the tax court because attorney's fees will negate a favorable result, especially if a relatively small amount is involved. It should be noted that, in accordance with the Internal Revenue Code, the tax court rules provide for a simplified procedure for "small" tax cases, but there is no guarantee that a small case will be simple enough for a taxpayer to proceed without legal counsel. Therefore, it is imperative to allow taxpayers to recover reasonable attorney's fees in order to encourage them to bring their meritorious suits.

This bill will restore taxpayer's confidence in the equitable administration of the tax laws by ensuring that taxpayers and the Internal Revenue Service are equally aware of their respective obligations and of all the procedural options available. Consequently, the issues will be better presented, and the substantive law will be clarified. The end result should be a reduction of disputes and the more efficient administration of the tax laws.

Mr. President, I ask unanimous consent that the bill, the Taxpayers' Bill of Rights Act, be printed in the RECORD.

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

S. 326

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

SECTION 1. SHORT TITLE.

This Act may be cited as "Taxpayers' Bill of Rights Act".

"SEC. 2. AMENDMENT OF 1954 CODE; MEANING OF TERMS.

(a) 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(b) MEANING OF TERMS.—For purposes of this Act, terms used in this Act which are also used in such Code shall have the same meaning as when so used.

SEC. 3. DISCLOSURE OF RIGHTS AND OBLIGATIONS OF TAXPAYERS.

(a) IN GENERAL.—The Secretary of the Treasury shall, as soon as practicable, but not later than 180 days after the date of the enactment of this Act, prepare brief but comprehensive pamphlets which set forth in simple and nontechnical terms—

(1) the rights and obligations of a taxpayer and the Internal Revenue Service (hereinafter in this section referred to as the "Service") during an audit;

(2) the procedures by which a taxpayer may appeal any adverse decision of the Service (including administrative and judicial appeals);

(3) the procedures for prosecuting refund claims and filing of taxpayer complaints; and

(4) the procedures which the Service may use in enforcing the internal revenue laws (including assessment, jeopardy assessment, levy and distraint, and enforcement of liens).

(b) TRANSMISSION TO COMMITTEES OF CONGRESS.—The Secretary of the Treasury shall transmit drafts of the pamphlets required under subsection (a) (or proposed revisions of any such pamphlet) to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Sen-

ate, and the Joint Committee on Taxation on the same day. Any draft (or any revision of a draft) of a pamphlet may not be distributed under subsection (c) until 90 days have elapsed from the date it was transmitted to such committees.

(c) DISTRIBUTION.—The pamphlets prepared in accordance with subsections (a) and (b) shall be distributed by the Secretary of the Treasury to any taxpayer upon request, and notice of the availability of such pamphlets shall be displayed prominently in all public offices of the Service. Copies of appropriate pamphlets shall be provided to any taxpayer with the first communication from the Service to the taxpayer regarding the taxpayer's liability for tax for a taxable year, if such communication from the Service to the taxpayer regarding the taxpayer's liability for tax for a taxable year, if such communication occurs during a meeting or is in writing. If such a communication is by telephone, copies of the appropriate pamphlets shall be mailed to the last known address of such taxpayer within 24 hours after such a communication.

SEC. 4. ASSISTANT COMMISSIONER FOR TAXPAYER SERVICES; TAXPAYER ASSISTANCE ORDERS.

(a) ASSISTANT COMMISSIONER FOR TAXPAYER SERVICES.—Section 7802 (relating to Commissioner of Internal Revenue) is amended by adding at the end thereof the following new subsection:

"(c) ASSISTANT COMMISSIONER FOR TAXPAYER SERVICES.—There is established within the Internal Revenue Service an office to be known as the Office of Taxpayer Services to be under the supervision and direction of an Assistant Commissioner of Internal Revenue. The Assistant Commissioner shall be appointed by the President, by and with the advice and consent of the Senate and shall be responsible for—

"(1) providing to taxpayers—

"(A) assistance in obtaining easily understandable tax information and information on audits, corrections, and appeals procedures (including pamphlets prepared under section 3 of the Federal Taxpayers' Rights Act of 1978);

"(B) assistance in answering questions on tax liability and preparing and filing returns; and

"(C) assistance in locating documents or payments filed with or submitted to the Internal Revenue Service by taxpayers;

"(2) providing personnel in local offices of the Internal Revenue Service to receive and evaluate complaints of improper, abusive, or inefficient service by Internal Revenue Service personnel and, with due regard to the rights of both taxpayer and the Internal Revenue Service personnel and under regulations prescribed by the Secretary, to take action to correct such service;

"(3) surveying taxpayers to obtain their evaluation of the quality of the service provided by the Internal Revenue Service;

"(4) compiling data on the number and type of taxpayer complaints in each internal revenue district and evaluating the actions taken to resolve such complaints;

"(5) issuing Taxpayer Assistance Orders under section 6306; and

"(6) carrying out such other functions which relate to assisting taxpayers as the Secretary may prescribe.

"The Assistant Commissioner shall submit an annual report including any recommended legislation to the Ways and Means Committee of the House of Representatives, the Finance Committee of the Senate, and the Joint Committee on Taxation on the activities of the Office of Taxpayer Services."

(b) TAXPAYER ASSISTANCE ORDERS.—Subchapter A of chapter 64 (relating to collections) is amended by adding at the end thereof the following new section:

"SEC. 6306. TAXPAYER ASSISTANCE ORDERS.

"(a) AUTHORITY TO ISSUE.—Upon applica-

tion filed by a taxpayer with the Office of Taxpayer Services, in such form, manner, and at such time as the Secretary shall by regulations prescribe, the Assistant Commissioner for Taxpayer Services may issue a Taxpayer Assistance Order if, in the determination of the Assistant Commissioner, the taxpayer is suffering from an unusual, unnecessary, and irreparable loss as a result of the manner in which the internal revenue laws are being administered by the Secretary.

"(b) EFFECT OF ORDER.—The Secretary may not take any action adverse to such taxpayer under—

"(1) chapter 64 (relating to collection).

"(2) chapter 70 (relating to jeopardy, bankruptcy, and receiverships).

"(3) chapter 78 (relating to discovery of liability and enforcement of title), or

"(4) any other provision of law, which is specifically described by the Assistant Commissioner in such order during such period (not to exceed 60 days) of time as may be so specified in such order."

(c) CONFORMING AMENDMENTS.—

(1) The section heading for section 7802 is amended to read as follows:

"SEC. 7802. COMMISSIONER OF INTERNAL REVENUE; ASSISTANT COMMISSIONER."

(2) The table of sections for subchapter A of chapter 80 is amended by striking out the item relating to section 7802 and inserting in lieu thereof the following:

"SEC. 7802. Commissioner of Internal Revenue; Assistant Commissioner."

(3) The table of sections for subchapter A of chapter 64 is amended by adding at the end thereof the following new item:

"SEC. 6306. Taxpayer Assistance Orders."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the 90th day after the date of the enactment of this Act.

SEC. 5. AUTHORIZING, REQUIRING, OR CONDUCTING CERTAIN INVESTIGATIONS, ETC.—

(a) PROHIBITION, ETC.—Section 7214 (relating to offenses by officers and employees of the United States) is amended by redesignating subsection (c) as subsection (d) and by inserting immediately after subsection (b) the following new subsection:

"(c) AUTHORIZING, REQUIRING, OR CONDUCTING CERTAIN INVESTIGATIONS, ETC.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an officer or employee of the United States acting in connection with any revenue law of the United States shall not knowingly authorize, require, or conduct—

"(A) any investigation into, or surveillance over, any person or records regarding the beliefs, associations, or activities of any individual or organization which are not directly related to such revenue laws, or

"(B) the maintenance of any records containing information derived from such an investigation or surveillance.

"Any person violating the preceding sentence shall be fined not more than \$10,000 or imprisoned not more than 2 years, or both.

"(2) EXCEPTION.—The provisions of paragraph (1) shall not apply with respect to any otherwise lawful investigation, including investigations concerning organized crime activities of any individual who is an applicant for, or who holds, any position in the Internal Revenue Service or any position in the Government the duties of which relate to the administration or enforcement of internal revenue laws of the United States, or who is a contractor, or prospective contractor, with the Internal Revenue Service.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) INVESTIGATIONS.—The term 'investigations' means any oral or written inquiry

directed to any person, organization, or governmental agency.

"(B) SURVEILLANCE.—The term 'surveillance' means—

"(i) the monitoring of persons, places, or events by means of electronic interception, overt or covert infiltration, overt or covert observation, or photography, and

"(ii) the use of informants."

(b) CIVIL REMEDIES.—

(1) IN GENERAL.—Subchapter B of chapter 76 (relating to judicial proceedings) is amended by redesignating section 7430 as section 7431 and by inserting immediately after section 7429 the following new section:

"SEC. 7430. CIVIL CAUSE OF ACTION FOR VIOLATION OF SECTION 7214(c).

"(a) REMEDIES.—

"(1) DAMAGES.—Whoever violates any provision of section 7214(c) (relating to certain offenses by officers and employees of the United States) shall be liable for damages to any individual or organization which, as a result of such violation, has been the subject of a prohibited investigation, surveillance, or recordkeeping, in an amount equal to the sum of —

"(A) any actual damages suffered by plaintiff of \$100 per day for each day the prohibited activity was conducted, whichever is greater;

"(B) such punitive damages (not in excess of \$1,000) as the court may allow; and

"(C) the costs of any successful action, including reasonable attorney fees.

"(2) EQUITABLE RELIEF.—Any individual, or organization which has been the subject of any investigation, surveillance, or recordkeeping in violation of section 7214(c), may bring a civil action against the United States for such equitable relief as the court determines appropriate to enjoin and redress such violation.

"(b) VENUE.—An individual or organization may bring a civil action under this chapter in any United States district court for the district in which the violation occurs, or in the United States district court for the district in which such person resides or conducts business, or has his principal place of business, or in the United States District Court for the District of Columbia.

"(c) JURISDICTIONAL AMOUNT.—Any Federal court in which a civil action under this section is brought pursuant to subsection (b) shall have jurisdiction over such action regardless of the pecuniary amount in controversy."

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by striking out the item relating to section 7430 and inserting in lieu thereof the following new items:

"Sec. 7430. Civil cause of action for violation of section 7214(c).

"Sec. 7431. Cross references..

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that such amendments shall not apply with respect to the maintenance of records during the 90-day period beginning on such date of enactment if such records were in existence on such date.

SEC. 6. AWARD OF COSTS TO PREVAILING TAXPAYER.

(a) RECOVERY OF COSTS.—Part II of subchapter C of chapter 76 (relating to Tax Court procedure) is amended by adding at the end thereof the following new section:

"SEC. 7465. RECOVERY OF COSTS.

"(a) IN GENERAL.—In any proceeding before the Tax Court for the redetermination of a deficiency, the prevailing party, unless the prevailing party is the United States, may be awarded a judgment of costs in connection with such proceeding and any administrative proceeding relating to such deficiency

to the same extent as is provided in section 2412 of title 28, United States Code, for civil actions brought against the United States.

"(b) JUDGMENT.—A judgment of costs entered by the Tax Court under subsection (a) in favor of the prevailing party shall be treated, for purposes of this subtitle, in the same manner as an overpayment of tax. No interest or penalty shall be allowed or assessed with respect to any judgment of costs."

(b) CLERICAL AND CONFORMING AMENDMENTS.—

(1) The table of sections for such part II is amended by adding at the end thereof the following new item:

"Sec. 7465. Recovery of costs."

(2) Section 2412 of title 28, United States Code, is amended—

(A) by inserting "(a)" before "Except", and

(B) by adding at the end thereof the following new subsection:

"(b) In any civil action which is brought by or against the United States for the collection or recovery of any internal revenue tax, or of any penalty or other sum under the internal revenue laws, and in which the United States is not the prevailing party, a judgment for costs may include reasonable attorney's fees."

(c) EFFECTIVE DATE.—The amendments made by this section shall only apply with respect to civil actions and proceedings for the redetermination of deficiencies commenced after the date of the enactment of this Act.

SEC. 7. CIVIL ACTION FOR DEPRIVATION OF RIGHTS BY INTERNAL REVENUE SERVICE EMPLOYEES.

(a) IN GENERAL.—Any officer or employee of the Internal Revenue Service who, under color of any Federal law, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress.

(b) CONFORMING AMENDMENT.—Section 1343 of title 28, United States Code, is amended—

(1) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

(2) by adding at the end thereof the following new paragraph:

"(5) to recover damages or to secure equitable or other relief under section 7 of the Federal Taxpayers' Rights Act of 1979."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions arising on or after the date of the enactment of this Act.

SEC. 8. PROCEDURES INVOLVING TAXPAYER INTERVIEWS.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"SEC. 7518. PROCEDURES INVOLVING TAXPAYER INTERVIEWS.

Upon request of any taxpayer, any officer or employee of the Internal Revenue Service in connection with any interview with such taxpayer in connection with the assessment of a deficiency shall—

"(a) conduct such interview in the principal residence or place of business of the taxpayer, and at a reasonable time convenient to the taxpayer, and

"(b) allow the taxpayer to make a recording of such interview.

"An officer or employee of the Internal Revenue Service may record any such interview if he informs the taxpayer of such recording prior to the interview and provides the taxpayer with a transcript of such recording upon the request of the taxpayer and

reimbursement for the cost of reproduction of such transcript."

(b) CONFORMING AMENDMENT.—The table of sections for such chapter is amended by adding at the end thereof the following new item:

"Sec. 7518. Procedures involving taxpayer interviews."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to interviews conducted on or after the date of the enactment of this Act.

By Mr. HATCH:

S. 327. A bill for the relief of Shavji Purshottam Dusara, his wife, Vasanti Shavji Dusara, and their child, Shreedhar Dusara; to the Committee on the Judiciary.

S. 328 A bill for the relief of Mr. Oliver O. Ratajczek and his wife, Christine Diane Ratajczek; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I introduce two relief bills which I ask unanimous consent to have printed in the RECORD at this point.

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

S. 327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding paragraph (14) of section 212 (a) of the Immigration and Nationality Act, for the purposes of such Act, Shavji Purshottam Dusara, his wife, Vasanti Shavji Dusara, and their child, Shreedhar Dusara, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act upon payment of the required visa fees. Upon granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by three numbers during the current fiscal year on the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act.

S. 328

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding paragraph (14) of section 212 (a) of the Immigration and Nationality Act, for the purposes of such Act, Mr. Oliver O. Ratajczek and his wife, Christine Diane Ratajczek, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act upon payment of the required visa fees. Upon granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by two numbers during the current fiscal year on the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act.

By Mr. HELMS:

S. 329. A bill to amend the supplemental security income program established by title XVI of the Social Security Act to exclude a family cemetery or burial plot owned by an individual or married couple in determining such individual's or couple's resources; to the Committee on Finance.

● Mr. HELMS. Mr. President, the legis-

lation that I am introducing today would simply provide an additional resource exclusion in determining eligibility under the supplemental security income program. My amendment to title XVI of the Social Security Act excludes a family cemetery or burial plot owned by an individual or married couple in determining such individual's or couple's resources.

It recently came to my attention that otherwise qualified persons in North Carolina were suddenly being declared ineligible for Medicaid either because they owned a burial plot or, in some instances, were unable to verify the value of the plot. State officials have advised me that they have been compelled to verify and include the value of burial plots for determining an individual's assets in order to comply with Federal SSI regulations and guidelines.

In North Carolina, individuals cannot qualify for Medicaid benefits if their assets, including real property, total more than \$1,000. Previously, a burial plot was not considered to be real estate; now, under the new guidelines, it is.

This has imposed a real hardship on many people who require the benefits available under the Medicaid program. I have even heard of situations where people have had to sell their cemetery plots and use up the money received before they could qualify for Medicaid. Others have been unable to place a value on their plots and therefore have been declared ineligible under the Federal guidelines.

I feel reasonably sure that Congress never intended to deprive Medicaid recipients of their chosen final resting place. Yet, this has been the result in some cases. The law already excludes from resource consideration a recipient's home, household goods, personal effects, and automobile. Clearly, it is reasonable to exclude a cemetery plot and thus spare the truly needy of this additional harsh treatment and worry. ●

By Mr. HART (for himself and Mr. CRANSTON):

S. 330. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes; to the Committee on the Judiciary and the Committee on Veterans' Affairs, jointly, by unanimous consent, and if and when ordered reported by one committee, the other committee then has 30 days in which to act or be discharged therefrom.

VETERANS' ADMINISTRATION ADJUDICATION
PROCEDURE JUDICIAL REVIEW ACT

● Mr. HART. Mr. President, the Veterans Administration (VA)—the second

largest client agency in the Federal Government—is the only agency whose benefit decisions are not subject to the scrutiny of the Federal courts. Too often in the past, this exclusion, together with an outdated \$10 limitation that a veteran may pay an attorney to assist him in preparing and presenting a claim, has resulted in abridgement of the basic fundamental constitutional rights of the veteran in hearings before the VA.

Today, Senator CRANSTON and I are introducing legislation to provide for limited judicial review of the administrative actions of the VA and to provide for the payment of reasonable attorneys' fees for veterans who wish to be represented by counsel in hearings before the VA or the courts. Additionally, this measure will require the VA to comply with the rulemaking provisions of the Administrative Procedures Act (APA) and to take other actions to safeguard the procedural due process rights of the veteran.

Mr. President, I would like to commend the distinguished chairman of the Senate Veterans Affairs Committee (Senator CRANSTON) for the excellent work he and other members of the Senate Veterans Affairs have done in refining this legislation. During the 95th Congress, the committee explored in detail during five hearings the legal, procedural and other issues surrounding modification of the VA's adjudication procedures and making the agency subject to judicial review. My staff has worked closely with the staff of the Senate Veterans Affairs Committee, with the technical assistance of the VA and other agencies, to develop a bill which I believe satisfies most of the substantive concerns raised during those hearings.

At present, 1 of 58 local VA rating boards first reviews a veteran's case to determine if he or she is eligible for disability, pension or other benefits. If the local board renders an unfavorable decision, the veteran can appeal to the Board of Veterans' Appeals (BVA) in Washington, D.C., which is also a part of the VA. Under existing law, the decision of the BVA on "any question of law or fact under any law administered by the Veterans Administration providing benefits for veterans and their dependents or survivors, shall be final and conclusive, and no other official or any court of the United States shall have power or jurisdiction to review any such decision * * * (title 38, U.S.C., Sec. 201(a)). Unlike claimants before other Federal agencies, a veteran who feels that the BVA has misinterpreted the law or decided a case without taking all relevant facts into account has no recourse outside the Veterans' Administration.

For more than two decades, the Social Security Administration (which also adjudicates disability claims) has been subject to judicial review of its final benefit decisions. (Title 42, P.S.C., sec. 405(g).)

Mr. President, to insulate any agency from the scrutiny of the courts runs counter to some of our most cherished constitutional principles. In human

terms, this denial of the due process rights of veterans has too often resulted in hardship and disillusionment for those who have defended our country and are most deserving of the fruits of our constitutional form of Government.

Although veterans may be represented by counsel in proceedings before the VA, the amount a claimant may pay an attorney is limited to \$10 (title 38, U.S.C., sec. 3404(c)). This fee limitation, which was instituted more than a century ago, severely limits the ability of a veteran to exercise freedom of choice in obtaining effective legal counsel.

Less than 2 percent of veterans who appeal their claims to the Board of Veterans Appeals are represented by legal counsel. Currently, veterans can obtain assistance without charge in preparing and presenting claims before the Veterans' Administration from the various national veterans service organizations and VA benefit counselors. In most cases, the assistance given by these representatives is of excellent quality, providing the VA Rating Board with sufficient evidence to render a fair and equitable decision on the veteran's claim. Many cases, however, involve complex legal and technical issues. If a veteran desires the representation of an attorney in these proceedings, the \$10 fee restriction severely limits his right to counsel because almost no attorney is available at this unrealistic rate.

Veterans who desire outside legal representation in VA proceedings should be able to exercise that right. This legislation establishes a schedule for the payment of attorneys which insures that the veteran will be able to secure competent counsel without fear that an inordinate portion of any payment he may receive as the result of a successful appeal will be devoted to legal expenses. Therefore, the \$10 limitation for payment of attorneys who represent veterans in making original claims before local VA rating boards is retained. Most original claims are relatively simple to prepare and, of course, the veteran may seek the competent help of a veteran service organization officer or a VA counselor in presenting his claim.

If the veterans' claim is rejected, he may want to secure the services of an attorney to develop evidence and make legal arguments for a review of his case by the Board of Veterans Appeals. Given the informality of the VA's adjudication process, a formula permitting a veteran and his attorney to agree on a fee—not to exceed \$500—is equitable. As an additional protection, all fee payments would be subject to the approval of the VA Administrator who could also approve a higher fee in extraordinary cases requiring unusual preparation or specialized skills.

Attorneys who represent veterans in proceedings before the courts would be paid on a contingency fee basis, not to exceed 25 percent of any award made to the veteran. In general, preparing and arguing a veteran's case before the Federal courts will require a greater time commitment on the part of the veteran's attorney, justifying a larger potential fee

award because a fee would be paid only if the veteran's appeal is favorably considered; however, attorneys will help serve a screening function to insure that only meritorious claims are brought before the courts.

In the course of hearings on judicial review during the 95th Congress, the Department of Justice prepared a "Court Systems Impact Statement" which estimated the increased workload the Federal courts would have to absorb if VA cases were subject to judicial review. According to the report, of the 22,900 claims denied in fiscal year 1977 by the Board of Veterans Appeals, only 4,600 of these claims would be appealed to Federal district courts. This would amount to an increase of 3.4 percent in civil filings to the district courts. This small increase would be mitigated by the addition of 152 Federal district judges as a result of enactment last year of the Omnibus Judgeship Act (Public Law 95-486).

Recently, the Federal courts have greatly expanded their jurisdiction over VA actions which were formerly precluded from judicial review. For example, in *Johnson against Robison*, the Supreme Court held that section 211(a) (precluding judicial review) cannot be construed to deny jurisdiction to those who challenge the constitutionality of statutes providing veterans benefits (415 U.S. 361; 1974).

In the case of *Plato against Roubush*, the court determined that section 211(a) does not preclude judicial review of VA procedures in instances where VA pensions were terminated by the agency without a pretermination hearing (397 F. Supp. 1295; D. Md., 1975). The Department of Justice did not appeal this decision by the Federal District Court for the District of Maryland.

More recently, in the case of *Wayne State University against Max Cleland, et al.*, the Sixth Circuit Court of Appeals held that section 211(a) is not a bar to judicial review of the constitutionality of rules and regulations promulgated by the Administration of Veterans' Affairs or his authority to promulgate regulations (Nos. 78-1141, 78-1142; D. Mich., 1978).

Mr. President, this measure provides the Administrator discretionary authority to allow for a pilot program of intermediate appellate review at the regional level. This provision (section 107), which was added at the suggestion of the committee staff, encourages the VA to try new ways to solve the problem of excessive delays in BVA decisionmaking.

During the upcoming hearing process on this measure, I intend to pay particular attention to the comments of the VA and the veterans groups to determine if this measure will enhance the review process without requiring excess personnel or costs. I look forward to a full discussion of this provision.

Mr. President, the fundamental issue addressed in the bill we are introducing today is simple justice for the American veteran. To deny a citizen access to an attorney, isolate an agency from the scrutiny of the courts and to fail to allow citizens affected by the actions of an agency to participate in the development

of the rules and regulations which govern that agency runs counter to some of the most basic precepts of our constitutional form of government.

The bill I am introducing today will expand on the recent Federal court decisions to insure the veterans of this Nation are granted the full measure of their constitutional rights. ●

● Mr. CRANSTON. Mr. President, I today joined as a cosponsor with the Senator from Colorado (Mr. HART) in the introduction of S. 330, the proposed "Veterans' Administration Adjudication Procedure and Judicial Review Act," a bill to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply certain provisions of the Administrative Procedure Act to the rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

BACKGROUND

Mr. President, in the last Congress, the Senator from Colorado introduced a measure, S. 364, providing for judicial review of final Veterans' Administration decisions and for other changes relating to VA procedures. As I stated on July 19 of last year, in remarks appearing at pages 21673 through 21674 of the RECORD for that date, the Committee on Veterans' Affairs held 5 days of hearings on that legislation. From the testimony received at those hearings, it became apparent that, although S. 364 had served very well to focus needed attention on the complex issues of judicial review, administrative procedure, and attorneys' fees, the need existed for a substitute measure more specifically tailored to VA claims, adjudication, and rulemaking processes and to the circumstances of veterans and survivors with claims before the VA.

By July of last year, it became clear that, in light of the time required to complete the drafting of a new measure, the need for further hearings on it prior to committee action, and the very crowded state of the Senate's legislative calendar, there was insufficient time remaining to address this matter effectively during the 95th Congress. Therefore, with the concurrence of my friend from Colorado (Mr. HART), I proposed that committee staff continue its work on the substitute measure and circulate the draft to all interested parties for their comments and criticisms during the fall of 1978 so that early in this Congress, Senator HART and I would be able to introduce a new measure. Also, I agreed to schedule hearings on it and bring it to the committee by May 1, 1979, for disposition.

Mr. President, consistent with these plans, committee staff completed a draft of a substitute measure on December 8, 1978, and circulated it for comments. In a cover letter transmitting the draft legislation, I indicated that the new bill

would be introduced early this year. Comments on the draft measure were very extensive and quite helpful and led to substantial revisions.

HEARINGS SCHEDULED

Mr. President, as I noted on January 15 of this year in remarks appearing at page 332 of the RECORD for that date, I originally scheduled hearings on this measure before the Committee on Veterans' Affairs for January 30, based on the assumption that the bill would be introduced on the first day of this Congress. Because introduction was delayed until today in order to complete revisions of the bill based on the extensive comments received on the draft measure, hearings have been rescheduled for February 22, at 9:00 a.m., in room 318 of the Russell Senate Office Building. After the committee has had the opportunity to hear from the administration, veterans' organizations, and other individuals and groups wishing to comment on this legislation, committee action will be scheduled on it before May 1, 1979.

This legislation has gone through an extended developmental process. Thus, the measure being introduced today reflects careful consideration of the views of many individuals and organizations. Nevertheless, I recognize that there are differing viewpoints on certain aspects of this bill; and I want to stress that the developmental process will be an ongoing one. I remain openminded about the final form of the various key provisions, and I look forward to receiving further comments on the legislation as the committee considers the measure.

Mr. President, I would like to take this opportunity to again express my appreciation to the Senator from Colorado (Mr. HART) for his strong leadership on this issue and his continued commitment to congressional consideration of it.

Mr. President, in order that all Senators and the public may have a more complete understanding of the various provisions of this measure, I ask unanimous consent that there be printed in the RECORD at this point an explanatory memorandum on the provisions of the bill.

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

EXPLANATORY MEMORANDUM ON S. 330, THE PROPOSED "VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT"

This bill has four major purposes: to provide certain codified procedures (derived from those in the Administrative Procedure Act (APA) and Social Security Act (SSA)) for adjudicatory proceedings before the Veterans' Administration, to bring the VA's rule-making activity under the Administrative Procedure Act, to provide for judicial review of certain VA decisions, and to provide for reasonable attorneys' fees for those who represent claimants before the VA and the courts.

TITLE I—ADJUDICATION PROCEDURES

This title contains provisions that would govern procedures for hearings before the Veterans' Administration.

Sec. 101—Amends chapter 51 of title 38, United States Code, to add a new section 3009 codifying, for VA adjudication purposes, the burden of proof and reasonable

doubt standard currently provided for by VA regulation (38 C.F.R. § 3.102).

New section 3009, entitled "Burden of proof; reasonable doubt", consists of subsections (a) and (b), as follows:

Subsection (a) provides that, except where otherwise provided by the Administrator in accordance with provisions of title 38, a claimant has the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that a claim is well grounded. Thus, as presently provided for in VA regulations (38 C.F.R. § 3.102), the initial burden of going forward with evidence to establish all elements of a claim is on the claimant. This subsection will not affect existing statutory or regulatory provisions that specify a different procedure relating to burden of proof (e.g., the statutory presumptions relating to certain diseases in 38 U.S.C. § 312 pursuant to which certain specified diseases shall be considered service-connected without a showing that the particular disease existed during the period of service). In addition, this subsection is not intended to affect the obligation of the VA (pursuant to 38 C.F.R. § 3.103) to provide complete assistance to the veteran in the development of the claim.

Subsection (b) provides, without shifting the burden specified in subsection (a) of this section, that, if, after reviewing all of the evidence in a case, a reasonable doubt remains regarding the merits of a particular claim, the VA is to resolve such doubt in favor of the claimant. This provision is derived from existing VA regulations establishing such a reasonable doubt standard (38 C.F.R. § 3.102) and it is expected that the current definition in that section will continue to be applied.

Sec. 102—Amends section 3311 of title 38, relating to the issuance of subpoenas by the Administrator of Veterans' Affairs to specify that subpoenas authorized under that section may be served either by personal delivery to the person named or by registered or certified mail. This provision is derived from (and intended to have the same substantive effect as) 42 U.S.C. § 405(d) in the SSA.

Sec. 103—Amends section 4001 of title 38, relating to the Board of Veterans Appeals (BVA), to increase, from 50 members to 65 members, the statutory limitation on the size of the BVA in order to enable it to handle the increased workload that judicial review of VA decisions (as provided for in the new chapter 72 added by section 302 "members" and "associate members" on the BVA; so the term "associate" is dropped as unnecessary. This section also amends section 4001 to add a requirement that the Board dispose of appeals before it in a timely manner and, further, to add a requirement for an annual report from the Chairman to the Congress on the Board's activity for the prior fiscal year, including a report on the average length of time cases were before the Board, together with a projection of the Board's activity for the next fiscal year and an evaluation of the Board's ability to dispose of the cases before it in the current and subsequent fiscal year in a timely fashion.

Sec. 104—Strikes the word "associate" in the description of the members of the BVA in section 4002 for the reason set forth under the explanation of section 103, above.

Sec. 105—Amends subsections (a) and (b) of section 4003 of title 38, relating to BVA decisions, to require the BVA to provide notice to the claimant and an opportunity for a hearing before a decision may be based on "additional official information" received after a BVA decision has previously been made.

Sec. 106—Amends section 4004 of title 38, relating to BVA jurisdiction, to add a clause to subsection (a) so as to require the BVA to provide the claimant with an opportunity for a hearing before the BVA and to require

that the BVA decision be based on "evidence and material of record" in order to assure that the claimant is apprised of all material on which a decision is based. This section also amends subsection (b) to remove the requirement that the "new and material evidence" sufficient to allow the Board to reopen a previously disallowed claim be "in the form of official reports from the proper service department". This change reflects the present practice of the Board of reviewing "new and material evidence" on a claim from any source. This section makes a further amendment to subsection (b) to add a sentence which provides that the Board's discretionary authority to reopen a claim will not be diminished by a judicial decision following an appeal under new chapter 72 (as added by section 302 of the bill). The section also amends subsection (d) to require the BVA to mail notice of the decision to the claimant and to specify the reasons for its decision. This latter provision codifies procedures already being followed by the BVA in order to provide a statutory description of specified steps that will precede court review of a matter on appeal (as provided for in the new chapter 72 added by section 302 of the bill).

Sec. 107—Amends subsection (d) of section 4005 of title 38, relating to the administrative procedures to be followed when the claimant disagrees with the initial determination, to add a new paragraph (6) providing for the Administrator to establish as a matter of discretion, pursuant to regulation, a new level of administrative review of a claim for benefits. Such a pre-BVA review level would consist of a hearing, before three VA adjudication employees who had not previously considered the claim, such hearing to take place at the VA field office where the claim was originally brought or, if there are not sufficient personnel to constitute such a panel at that office, at the nearest VA office with enough personnel reasonably available for that purpose. This new authority is designed to give the Administrator the option of offering the opportunity for an expeditious *de novo* hearing before an impartial decisionmaking tribunal, rather than requiring the claimant who wishes such a hearing (in a location other than Washington, D.C.) to wait as much as a year (or longer in some places) for a traveling section of the BVA to reach the field office in question. If such a hearing were provided, it would be in addition to any reconsideration activity by the agency of original jurisdiction that rendered the first decision (as provided for by present section 4005(d)(1)), but such a hearing would satisfy the requirement in section 4004(a) (as amended by section 106 of the bill) of providing the claimant with an opportunity for a hearing on appeal. Subsequent hearing opportunities would still be available, as provided for in present section 4004(b), upon the submission of "new and material" evidence or for any other reason as determined by the BVA. The Administrator is authorized to apply the hearing procedure authorized under this section on a pilot basis for a limited period of time in geographically limited areas in order for the Administrator to test it and make an evaluation of the desirability and feasibility of applying it nationwide.

Sec. 108—Amends section 4009 of title 38, relating to independent medical opinions, to add a new subsection (c) to provide a mechanism whereby a claimant, once there is in evidence before the Board a substantial disagreement between the opinions of two physicians with respect to an issue material to the outcome of the case, would be entitled to have the BVA, after taking other appropriate steps to resolve such disagreement (for example, by obtaining answers to interrogatories that might demonstrate that the pur-

ported difference of opinion is actually the result of mistaken assumptions of fact or incomplete availability of relevant data), secure a VA-provided independent medical advisory opinion (an opinion by one or more medical experts, not employees of the VA, after a review of the medical records) as a means of helping to resolve such a difference. The question of whether a "substantial difference" exists on an "issue material" to the outcome of the case would be for determination by the Administrator subject to judicial review under new chapter 72 added by section 302 of the bill. Currently, there are no statutory limits on the VA's discretion as to when to obtain such an opinion.

Sec. 109—Amends chapter 71 of title 38 relating to the Board of Veterans' Appeals, by adding two new sections, one establishing certain procedures to be followed in adjudicatory proceedings (largely derived from sections of the Administrative Procedure Act—5 U.S.C. §§ 554, 555, and 556) and the other setting forth requirements for the Administrator to follow to notify claimants of their procedural rights before the VA.

New section 4010, entitled "Adjudication Procedures", prescribes certain procedural rules for proceedings before the BVA or any intermediate hearing board established under new subsection (d) of section 4005, as added by section 106 of the bill. The new section consists of subsections (a) through (f), as follows:

Subsection (a) sets out the general power of the Administrator to administer oaths, examine witnesses, and take evidence. Similar authority is set out in the Administrative Procedure Act (APA) (5 U.S.C. § 556(c)) and the Social Security Act (SSA) (42 U.S.C. § 405(b)).

Subsection (b) authorizes the admission of any evidence in BVA proceedings, even if such evidence were inadmissible under the rules of evidence, but authorizes the Administrator to prescribe regulations allowing exclusion of irrelevant, immaterial, or unduly repetitious evidence. Similar language is in both the APA (5 U.S.C. § 556(d)) and the SSA (42 U.S.C. § 405(b)).

Subsection (c) specifies certain procedural rights of claimants in BVA proceedings. The first four such rights, the right to review the record, to present witnesses, to make arguments, and to submit rebuttal evidence, are derived from the APA (5 U.S.C. § 556(d)). In addition, the claimant would have the rights to present medical opinions and, pursuant to new subsection (c) of section 4009, as added by section 108 of the bill, have the VA obtain an advisory medical opinion; and to serve written interrogatories which may, in the event a witness fails to answer them, be enforced by means of a subpoena to attend a deposition at which the witness would be asked the unanswered interrogatories. Under the prescribed procedure, the witness would have the opportunity to object to the interrogatories before a subpoena is issued; and the Administrator would be empowered to modify the interrogatories appropriately. The exercises of discretion by the Administrator with respect to the enforcement and modification of such subpoena would be subject to judicial review under new chapter 72 added by section 302 of the bill.

Subsection (d) provides authority for a hearing officer to disqualify himself/herself on grounds of personal bias or other cause and also provides a basis for a party to challenge a member of a panel on such basis. This provision is derived from the APA (5 U.S.C. § 556(d)).

Subsection (e) specifies that the transcript or recording of testimony and the exhibits, together with all papers and requests filed in the proceeding and the decision of the BVA, shall constitute the record of a proceeding and allows a claimant to obtain a copy of the contents of the record. This pro-

vision is derived from the APA (5 U.S.C. § 556(e)).

Subsection (f) specifies that, notwithstanding any other provision of law, the adjudication procedures and rights contained in title 38 and prescribed by the Administrator are exclusive. This provision is designed to preclude judicial incorporation of other procedures from the APA or elsewhere. For example, the APA "trigger" provision in 5 U.S.C. § 554(a) provides that the requirements of that "section apply[y] . . . in every case of adjudication required by statute to be determined on the record after opportunity for any agency hearing"; amendments to present section 4004(a), in section 106 of the bill, could be construed, without this preclusion clause, as placing VA adjudication procedures under APA adjudication rules, a result that is not intended.

New section 4011, entitled "Notice of Procedural Rights," requires the Administrator to provide, at each stage of the proceedings before the VA, notice to a claimant of procedural rights and the procedures available to obtain various opportunities for review. This provision is designed to assure that at each critical juncture in the adjudication/appeals process the claimant is then specifically notified of his or her rights regarding the remaining available options.

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

This title brings the VA's rulemaking procedures under the relevant APA provisions. At the hearings before the Senate Committee on Veterans Affairs on S. 364 in the 95th Congress, the VA indicated that it was already in voluntary compliance with the relevant APA rulemaking provisions as to notice and an opportunity for comment and voiced no objection to having such compliance mandated.

Sec. 201—This section adds to chapter 3 of title 38 a new section 221 to bring the VA within the relevant APA rulemaking provision, 5 U.S.C. § 553.

New section 221, entitled "Rule making," specifically provides for the nonapplicability of the section 553(a)(2) preclusion of the application of the APA to cases involving, among other things, "loans, grants, benefits, or contracts." The practical import of the new section is to codify the notice and publication requirements that the VA is already following in the issuance of rules and regulations.

TITLE III—JUDICIAL REVIEW

This title contains provisions allowing access to the federal court system for review of VA decisions.

Sec. 301—Adds reference to the new judicial review chapter (Chapter 72) to the exceptions from the general preclusion of judicial review of VA decisions in present section 211(a) of title 38.

Sec. 302—Sets out a new judicial-review chapter, chapter 72, entitled "Judicial Review," in title 38, as follows:

New section 4025, entitled "Jurisdiction," describes basic jurisdictional requirements; it consists of subsections (a) through (g), as follows:

Subsection (a) provides for judicial review of a "final decision" in a matter dealing with a "claim for benefits." Judicial review may be obtained in a civil action brought within 120 days of the mailing of notice of the decision by the BVA. The action is to be brought in a Federal district court, either in the home district of the claimant or in the district court for the District of Columbia.

Subsection (b) provides that, in cases "not directly involving a claim for benefits," the title 38 provision that precludes judicial review (section 211(a)) shall not bar a civil action otherwise authorized by law. This

provision is intended to assure that nothing in section 211(a) precluding judicial review of VA decisions operates to bar challenges to VA regulations, practices, or procedures that would be open to judicial challenge if carried out by any other federal agency, and that VA determinations of fact and law in such matters as a school's claim for a fee under section 1784 are also subject to judicial review.

Subsection (c) defines "final decision" as used in subsection (a) of this new jurisdictional section. The term is defined to include not only a decision on the merits but also a refusal to reopen a claim and a refusal, on the basis of nonconformity with the BVA chapter provisions or lack of timeliness, to consider a claim.

Subsection (d) specifies that the new chapter does not change the present rules governing appealability of matters under chapter 19 (insurance) and chapter 37 (home loans) because there are established procedures in both chapters and no need to change them has been shown.

Subsection (e) directs that a complaint seeking appeal of a decision relating to a claim for benefits include sufficient information to assist the VA in properly identifying the file in question.

Subsection (f), derived from the SSA (42 U.S.C. § 405(g)), requires the VA to file the various materials that constitute the record in the case together with its answer to the complaint. This provision should enable a reviewing court to render a decision on the pleadings, thereby generally obviating the need for any hearing.

Subsection (f), derived from the SSA (42 U.S.C. § 405(g)), empowers the court to render a decision on the pleadings; it is anticipated that, as occurs in SSA cases, this will be the normal practice.

New section 4026, entitled "Scope of Review," defines the reviewing court's role in considering appeals brought under the new chapter. This new section consists of subsections (a) through (c) as follows:

Subsection (a) uses APA language (5 U.S.C. § 706) to define the scope of judicial review. The import of this provision is to give a reviewing court the responsibility to decide questions of law while deferring to the Administrator on questions of facts as long as such findings are supported by substantial evidence. The result is the usual balance for judicial review of administrative decisions—the agency will prevail on questions of fact (unless unsupported) and the court determines, de novo, question of law.

Subsection (b) delimits the role of the reviewing court, consistent with new subsection (a), above, by specifying that findings of fact will not be subject to a trial de novo.

Subsection (c) provides that in a matter resolved by the VA solely on the basis of a failure to conform to VA procedures, the reviewing court may consider only issues raised as to the validity of and conformity with the regulation or procedure. The effect of this provision is as follows: if the court upholds the procedure and its application to the facts, there would be no need for any further review of the claim for the benefits; if, on the other hand, the court rules that the procedure is unlawful, the underlying claim for benefits would be returned to the VA for consideration.

New section 4027, entitled "Remands," provides for three different forms of remands. Under the first, the Administrator is given the option to recall a case (after it is appealed) for a single reconsideration. This provision, modeled on one in the SSA (42 U.S.C. § 405(g)), is designed to save the time and expense associated with an appeal when it is clear the court will find for the claimant. There has been some criticism of this pro-

vision in the SSA scheme; and it is included in this draft in a modified form that allows only the single callback and that requires the VA to act promptly (within 90 days) or have the matter returned to the court. The second remand provision allows the court, in its discretion, to remand a case once the Administrator files an answer. The final remand provision allows either side to request a remand—to adduce further evidence—after the VA has filed its answer. Once the party requesting the remand has shown that additional material evidence would be introduced and that there were reasonable grounds for the failure to submit it before the matter reached the court, the court must remand the case to the Administrator to take the additional evidence.

New section 4028, entitled "Survival of Action", provides that actions brought under new section 4025, above, as added by this section of the bill, survive the tenure of any individual as Administrator.

New section 4029, entitled "Appellate Review", provides that decisions of district courts pursuant to this new chapter of title 38 shall be subject to review in other federal courts in the same manner as judgments in other civil actions.

Sec. 303—Amends section 1346 of title 28 of the United States Code, limiting the jurisdiction of Federal district courts in matters involving pensions, by specifying that the exclusion shall not apply to VA pension matters.

TITLE IV—ATTORNEYS' FEES

This title revises the present title 38 limitation of \$10 for claimants' attorneys' fees by providing for the approval by the Administrator of attorneys' fees, within certain limits, for representation of individuals before the Veterans' Administration and for court approval of a reasonable attorney's fees in cases appealed to court under the new chapter 72 in which the claimant prevails. The title also contains provisions allowing a court to award a reasonable attorneys' fee to a prevailing party other than the Administrator and for judicial review of a fee determination and approval.

Sec. 401—Amends existing section 3404 of title 38, relating to recognition of agents and attorneys and to attorneys' fees.

Clause (1) amends subsection (c) of section 3404 to provide for the approval by the Administrator of an attorneys' fees above the present \$10 maximum if the claim is allowed following the claimant's receipt of a statement of the case pursuant to present section 4005(d) (the first procedural step following the claimant's notice to the VA that he or she disagrees with an initial denial of the claim) and to retain the present \$10 limitation for cases resolved upon the initial proceeding at the regional level (that is, prior to the receipt of the statement of the case). With respect to claims resolved within the VA but following the receipt of the statement of the case, the approval of a fee is limited to the lesser of—

(A) the fee agreed upon by the claimant and attorney, or

(B) (i) \$500 (or a greater amount specified in regulations based on changed national economic conditions subsequent to the date of enactment of the revised subsection) except that a greater amount may be approved by the Administrator in an individual case involving extraordinary circumstances, or

(ii) if the claimant and attorney have entered into a contingent-fee agreement, an amount not in excess of 25 per centum of the total amount of any past-due benefits awarded on the basis of the claim. The percentage figure for contingent-fee cases is borrowed from the SSA (42 U.S.C. § 406(a)), but the specific dollar upper limit on the fee was added because, unlike many Social Security cases, there may be a significant number of claims before the VA which

would benefit a claimant substantially and yet would result in little or no award of past-due benefits, thereby rendering a contingency arrangement impractical.

Clause (2) further amends section 3404 by adding six new subsections, (d) through (i), as follows:

New subsection (d) deals with the approval of attorneys' fees in cases appealed to the court. Before any fee may be approved, there is the requirement that the matter be resolved in a manner favorable to the claimant. The SSA (42 U.S.C. § 406(b)(1)) has a similar provision requiring, as a precondition for any attorneys' fees, successful representation for court appeals; this requirement is intended to protect claimants by involving the legal community in screening the valid from the invalid complaints and should, therefore, work to reduce the volume of litigation of VA-related claims. The actual approval scheme places the authority in the court to approve "a reasonable fee" in successful cases, and the only specific limitation is in cases where the claimant and attorney have entered into a contingent-fee agreement. As with cases resolved before the Veterans' Administration, the fee in such cases is limited to an amount not in excess of 25 per centum of the total amount of any past-due benefits awarded on the basis of the claim.

New subsection (e) provides authority for the Administrator to authorize payment to the attorney from any past-due benefits that are awarded but precludes the VA from making payments if there are no past-due benefits—thus leaving the lawyer and the client to make their own arrangements for payment in that event.

New subsection (f) provides a method for review of either the Administrator's or a court's approval of attorneys' fees. Where the claim for benefits is resolved within the VA, either the claimant or the attorney would be permitted to bring an action challenging the amount approved in a Federal district court (in the claimant's home district) within thirty days after the date of notice of the approval of the attorneys' fee. Where the court approves a fee, either the claimant or attorney would be permitted to make a motion to modify the fee in the United States district court where the appeal to court was considered. All parties to the matter are to be given notice of an action or motion for review of the fee determination.

New subsection (g) limits the applicability of this section to cases involving claims for benefits. Thus, in all other types of cases (constitutional challenges to regulations, Freedom of Information Act cases, and other non-claim cases)—where no claim for benefits is involved—the individual and the attorney would be able to agree to any fee arrangement free of the \$10 limit and other limits in this section.

New subsection (h) provides that, for the purpose of the attorneys' fees provisions, a claim is to be considered as having been resolved favorably to a claimant when any or all of the relief sought is granted.

New subsection (i) provides that a court may, in its discretion, allow a prevailing party, other than the Administrator, reasonable attorneys' fees as part of the costs awarded following its decision. This provision is designed to permit a court to evaluate all of the circumstances of a particular claim and, in particular, the VA's basis for denying the relief requested when the matter was before the agency. The court's evaluation of the VA's position should be similar to that undertaken by the courts in Freedom of Information Act cases when the issue to be resolved is whether the governmental agency involved had a reasonable or colorable basis in law for its action. Accordingly, there should seldom be an award of attorneys' fees under this provision; an award would be appropriate only upon a finding

by the court that the VA had been "recalcitrant" in its denial of a valid claim or had otherwise "engaged in obdurate behavior" in the adjudication of the claim.

Sec. 402—Makes a gender correction and strengthens the title 38 provision relating to attorney impropriety. The language used in the draft is patterned on a provision in the SSA (42 U.S.C. § 406(b)(2)), and the thrust of the provision is to authorize a court to punish an attorney or other person for willful and intentional defrauding of a claimant.

TITLE V—EFFECTIVE DATES

This title has two sections, one for the effective date of the Act and the other to allow for some review of BVA decisions rendered before the bill is enacted.

Sec. 501—Makes the Act effective six months after the date of enactment.

Sec. 502—Allows for review of BVA decisions rendered on or after January 1, 1977, and prior to the effective date of the Act. The provision also specifies that any appeals of these decisions rendered prior to the effective date of the Act must be brought within 120 days after the effective date of the Act or after mailing of notice by the Administrator to the claimant of the right to such an appeal, whichever is later. ●

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill introduced by Mr. HART, for himself and Mr. CRANSTON, dealing with rulemaking procedures of the VA and judicial review thereof be jointly referred to the Committees on the Judiciary and Veterans' Affairs and when and if it is ordered reported by one committee the other committee then have 30 days to act on it or be discharged.

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

By Mr. CRANSTON (for himself, Mr. KENNEDY, Mr. BAUCUS, Mr. BAYH, Mr. BENTSEN, Mr. BIDEN, Mr. BUMPERS, Mr. DURKIN, Mr. EAGLETON, Mr. GRAVEL, Mr. HAYAKAWA, Mr. INOUE, Mr. JOHNSTON, Mr. LEVIN, Mr. MCGOVERN, Mr. METZENBAUM, Mr. NELSON, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SASSER, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENSON, and Mr. TSONGAS):

S.J. Res. 31. A joint resolution regarding the peace, prosperity, and welfare of the people on Taiwan and the Pescadores, and for other purposes; to the Committee on Foreign Relations.

PEACE, PROSPERITY, AND WELFARE ON TAIWAN

Mr. CRANSTON. Mr. President, Senator KENNEDY and I, along with 25 other Senators, are introducing a joint resolution that will reaffirm the concern of the United States in the peace, prosperity, and welfare of Taiwan and will establish clearly the respective responsibilities of the President and Congress for that peace, prosperity, and welfare. The cosponsoring Senators are: BAUCUS, BAYH, BENTSEN, BIDEN, BUMPERS, DURKIN, EAGLETON, GRAVEL, HAYAKAWA, INOUE, JOHNSTON, LEVIN, MCGOVERN, METZENBAUM, NELSON, PELL, PRESSLER, PROXMIRE, RANDOLPH, RIBICOFF, SASSER, STAFFORD, STENNIS, STEVENSON, and TSONGAS.

The President's decision to establish full diplomatic relations with the Peo-

ple's Republic of China was a necessary decision, a decision which recognized the reality of Peking as the actual government of 900 million Chinese. It was the proper function of the President to make the decision whether to establish diplomatic relations with the People's Republic of China. At the same time, America's interest in the overall security of Taiwan and the Pescadores is a responsibility of both the President and Congress. The role of Congress must not be left to unilateral whim or mandate of any President.

The resolution requires action by the President with full congressional participation and concurrence and gives assurance that whatever action is taken by the United States to maintain the peace, prosperity, and welfare of the people on Taiwan and the Pescadores will be in accordance with constitutional processes and procedures by the President and Congress.

It is important, now, at the outset of a new relationship with the People's Republic of China, that this concern and responsibility of Congress and the role of the President be made clear so that the peace, prosperity, and welfare of Taiwan will, in fact, be assured.

There appears to be some small difference of opinion on this resolution between the White House and the Congress.

The White House has its view, we have ours.

The White House believes the resolution is unnecessary—presumably because it believes the agreement President Carter has reached with the Chinese Government adequately assures the security of Taiwan.

I, for one, have no quarrel with that assumption about Taiwan's security. I support the United States-China agreement and I agree that it is adequate for the security of Taiwan.

But it is not so perceived by some Members of Congress—as evidenced by the number of other Taiwan resolutions that have been introduced. And it is not so perceived by much of the public—as evidenced by the polls.

It is largely to correct this misperception, to make clear that U.S. recognition of the Peking government in no way means that the United States intends to abandon Taiwan, that we have introduced this resolution.

Our resolution simply spells out in more detail what the United States-China agreement implies, but leaves unsaid.

We believe our resolution reinforces the United States-China agreement. The White House, as of this moment, does not think the agreement needs reinforcing.

We think it does.

Another question has come up about this resolution:

Whether the resolution represents only one segment of philosophy in the Senate or a broad spectrum representing the majority of the Senate. The fact that Senator KENNEDY and I have been joined by 25 Senators, and that among them are Senators STENNIS, JOHNSTON, BENTSEN, HAYAKAWA, indicates the broad base of

support for the substance of this resolution.

I am sure that it is a fact that a strong majority of the Senate wishes to express its concern about the security of Taiwan—without doing so in a way that destroys our new relationship with the People's Republic of China.

This resolution represents an effort to do exactly that.

Mr. President, at this time Senator KENNEDY and I submit a resolution in which we are joined by 25 other Senators. I ask unanimous consent that the text of the resolution be printed in the RECORD.

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

Whereas the governments of the United States and the People's Republic of China, on January 1, 1979, recognized each other and established diplomatic relations;

Whereas the President, on January 1, 1979, terminated diplomatic relations with the Republic of China and gave notice that on December 31, 1979, the United States will terminate the Mutual Defense Treaty between the United States of America and the Republic of China, pursuant to Article X thereof;

Whereas the American people have had and desire to continue to have extensive, close and friendly relations with the people on Taiwan and the Pescadores (hereinafter "Taiwan");

Whereas the United States has a correspondingly deep concern for the peace, prosperity and welfare of the people on Taiwan;

Whereas the United States has a continuing interest in the peaceful resolution of the Taiwan issue and expects that the Taiwan issue will be settled peacefully by the Chinese themselves;

Whereas in pursuance of its interests in the stability and peace of the area, the United States will continue to provide Taiwan with arms of a defensive character;

Whereas the United States recognizes that an armed attack directed against Taiwan would represent a danger to the stability and peace of the area;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. The President is directed to inform the Congress promptly of any danger to the interests, concerns, and expectations of the United States in the peace, prosperity, and welfare of Taiwan.

SEC. 2. The Congress finds and declares that it is the policy of the United States to act in accordance with constitutional processes and procedures established by law to meet any danger described under section 1, and otherwise to safeguard the interests, concerns and expectations of the United States.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. CRANSTON. I am, of course, delighted to yield to my good friend and colleague from New York.

Mr. JAVITS. Mr. President, as the Senator knows, I am a member of the Committee on Foreign Relations, and recently have been honored to be its ranking member.

First, I would like to agree with him that the majority of the Senate feels there must be provisions respecting Taiwan which are binding in law as well as in policy. Whether or not those provisions should be contained in

a resolution separate from the enabling legislation which, for the information of the Senator—and perhaps he knows it already—has actually been sent to us by the administration—

Mr. CRANSTON. Yes, I am aware of that.

Mr. JAVITS (continuing). Or whether it shall be cranked into that particular legislation is something which naturally our committee will decide.

I welcome the introduction of this resolution. I think the Senator would have many more sponsors were it not for the fact that we on the committee, although he does have one or more members of the committee, and many other Senators want to wait to see just how the procedure lays out and what the hearings show.

Of the substantive question, in my opinion, and there is no question about it, I deeply believe that the problem that is going to be presented to us is a problem of technique which is resolvable.

The administration has an idea for setting up an autonomous corporation here; presumably an autonomous corporation will be set up there, and these all raise important legal questions, all capable of solutions.

It is a unique situation, a matter of first impression, but I am confident that we can deal with it effectively.

The point that I wish to make, and the reason why I took the liberty of asking the Senator to yield, is that I wish to express myself as sharing fully in the sense of responsibility which dictated to such leading advocates as Senator KENNEDY and yourself for this new policy of normalization with the People's Republic, the element of which is so difficult, was that cutting off recognition of and diplomatic relations with Taiwan does not change the substantive sense of responsibility and the substantive policy of the United States that the security, integrity, and the self-determination right of the people of Taiwan is a matter essential to the national interest of the United States.

I wish to assure both my friends and colleagues who are sponsoring this resolution, and the other Senators who have joined with them, that if I can humanly help them, and I think I can, it will be an absolutely sacred trust in the Committee on Foreign Relations to see that the purpose which my colleagues have in mind is effectively carried out.

Mr. CRANSTON. I welcome the comments of the distinguished Senator from New York, whose role is so important in foreign affairs always, and who has new strength now that he is the ranking minority member of the Committee on Foreign Relations, and I have full faith that the committee will proceed in the wisest way in dealing with this issue, and if it chooses to incorporate this general concept in the enabling legislation that it will be working on, that is perfectly fine from my point of view.

I know that we share a common interest, and I appreciate very much the participation in the discussion of the wise Senator from New York.

Mr. JAVITS. Thank you very much.

Mr. CRANSTON. I am now delighted to hear our distinguished colleague from Massachusetts. He and I join together in the effort to do what this resolution seeks to accomplish.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am pleased to join with the senior Senator from California (Mr. CRANSTON) and 25 other Senators in introducing this joint resolution which confirms the continuing U.S. interest in the peace, prosperity, and welfare of Taiwan.

Representative LESTER WOLFF, chairman of the House International Relations Subcommittee on Asian and Pacific Affairs, is introducing this joint resolution along with 88 cosponsors to date in the House of Representatives.

I welcome the broad base of support, ranging across the political spectrum, which is reflected in the cosponsorship of our resolution. We know and welcome the fact that many other Members of Congress intend to cosponsor and otherwise support this resolution in the days ahead.

We have consulted with the chairman of the Foreign Relations Committee and with his colleagues, and we look forward to early consideration and action by both the Senate committee and the House International Relations Committee, and then by both Houses of Congress and the President. This will permit the Congress to make provision for the peaceful resolution of the Taiwan issue by the Chinese on both sides of the Taiwan Strait, as part of the legislation designed to implement the decision to normalize relations between China and the United States.

The objective of U.S. policy should be to maintain the continuity of our relations with Taiwan on an unofficial basis. Together with the omnibus legislation which the President has submitted to the Congress, this resolution will confirm that the United States can normalize relations with China at the same time that we act with responsibility on Taiwan.

The resolution confirms our continuing interest in the peaceful resolution of the Taiwan issue. It provides for continuing defensive arms sales to Taiwan. It directs the President to inform the Congress promptly of any danger to the peace, prosperity, and welfare of Taiwan, and it declares that it is United States policy to meet any such danger in accordance with our constitutional processes—just as we have been committed to do under the mutual defense treaty which will terminate on December 31.

I strongly agree with President Carter's statesmanlike decision to normalize relations with China. I will actively support both the confirmation of Ambassador Woodcock and the legislation needed to shift our relations with Taiwan from a governmental to a nongovernmental basis—recognizing that both Taipei and Peking insist that there is only one legal Government of China.

The President's decision was right in its recognition of the reality of China.

It was responsible in its provision for the continuing well-being of the people on Taiwan, and it was well-timed to maximize the opportunities of the United States in our triangular relationship with China and the Soviet Union; to consolidate the unprecedented process of accommodation among China, Japan, and the United States; and to usher in a new era of cooperation and understanding between the world's most powerful and the world's most populous nations.

This resolution will confirm that we can be realistic in our relations with China and responsible in our relations with Taiwan. While the form of our relations with both sides must change, the substance can and should remain unaltered.

In this connection, I welcome the recent Chinese statements confirming both their patience and their strong preference for a peaceful solution of the Taiwan issue. These reinforce my view that China will not attack Taiwan, not least, because it has neither the interest nor the capability to do so successfully.

By normalizing relations with China, I believe that we have made an indispensable contribution to the future peace and stability of the area, and to the future well-being of Taiwan with which our resolution is concerned.

By Mr. BELLMON (for himself and Mr. BOREN):

S.J. Res. 32. A joint resolution to designate November 4, 1979, as "Will Rogers Day"; to the Committee on the Judiciary.

WILL ROGERS DAY

● Mr. BELLMON. Mr. President, on behalf of my colleague, Senator BOREN, and myself, I introduce a joint resolution requesting the President to designate November 4, 1979 as "Will Rogers Day" in commemoration of the 100th anniversary of the birth of Will Rogers, the noted American humorist and philosopher.

Will Rogers looked at the world and translated complicated events in a way that could be understood by all. He loved life in America and portrayed our politics, educational system, and our economic system with clarity and wry humor.

Mr. President, Will Rogers was well known on Capitol Hill and had many cleverly expressed opinions about Government and politics. He was well aware of the pressures of elective office and commented:

I joke about 'em (Congressmen) but at heart I really like the rascals. They are all right.

The words of this man are as alive today as the day they were penned. As we look forward to yet another struggle over the Federal deficit we can remember what Will Rogers said about appropriations:

We will never get anywhere with our finances till we pass a law saying that everytime we appropriate something, we got to pass another bill along with it stating where the money will come from.

Mr. President, Will Rogers is Oklahoma's best known native son. In addition,

he was an ambassador of good will to foreign countries for all of America. It is only fitting and proper that we honor his memory with the designation of November 4, 1979 as "Will Rogers Day."●

ADDITIONAL SPONSORS

S. 1

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) and the Senator from Texas (Mr. BENTSEN) were added as cosponsors of S. 1, the Food and Agriculture Act of 1979.

S. 14

At the request of Mr. CHURCH, the Senators from Oregon (Mr. HATFIELD) and Mr. PACKWOOD, the Senator from Texas (Mr. BENTSEN), and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of S. 14, to amend and supplement the acreage limitation and residency provisions of the Federal reclamation laws.

S. 15

At the request of Mr. LEVIN, the Senator from Massachusetts (Mr. TSONGAS), the Senator from Indiana (Mr. BAYH), the Senator from Ohio (Mr. METZENBAUM), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Wisconsin (Mr. NELSON), the Senator from Vermont (Mr. LEAHY), and the Senator from Hawaii (Mr. INOUE) were added as cosponsors of S. 15, to amend the Consumer Credit Protection Act to prohibit discrimination on the basis of geography in the issuance and use of credit cards.

S. 55

At the request of Mr. BENTSEN, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 55, the Meat Import Act of 1979.

S. 75

At the request of Mr. DOLE, the Senator from Mississippi (Mr. COCHRAN) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 75, to amend the Internal Revenue Code of 1954 to allow a retirement savings deduction for persons covered by certain pension plans.

S. 114

At the request of Mr. DeCONCINI, the Senator from Louisiana (Mr. LONG) was added as a cosponsor of S. 114, to impose rational criteria for the imposition of capital punishment.

S. 129

At the request of Mr. CHURCH, the Senator from Oregon (Mr. HATFIELD) and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 129, to designate September 17, 1987, as a public holiday.

S. 208

At the request of Mr. WALLOP, the Senator from Wyoming (Mr. SIMPSON) and the Senator from Florida (Mr. CHILES) were added as cosponsors of S. 208, to amend the Internal Revenue Code of 1954 to subject foreign investors to capital

gains tax from the sale or exchange of real property situated in the United States.

S. 222

At the request of Mr. DURKIN, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 222, the Alaska National Interest Lands Conservation Act of 1979.

SENATE JOINT RESOLUTION 2

At the request of Mr. DeCONCINI, the Senator from Florida (Mr. STONE) was added as a cosponsor of Senate Joint Resolution 2, to require the Federal Government to end deficit financing.

SENATE JOINT RESOLUTION 20

At the request of Mr. ZORINSKY, the Senator from Texas (Mr. BENTSEN) and the Senator from South Dakota (Mr. PRESSLER) were added as cosponsors of Senate Joint Resolution 20, to increase the price support for milk, wheat, corn, soybeans, and cotton to not less than 90 percent of the respective parity prices, and for other purposes.

SENATE RESOLUTION 11

At the request of Mr. DeCONCINI, the Senator from South Dakota (Mr. PRESSLER) and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of Senate Resolution 11, asserting the commitment of the American people to the continued independence of the people of Taiwan.

SENATE RESOLUTION 48—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. KENNEDY, from the Committee on the Judiciary, reported the following original resolution, which was referred to the Committee on Rules and Administration:

S. RES. 48

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1979, through February 28, 1980, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$4,835,900, of which amount not to exceed \$230,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1980.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee,

except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 49—SUBMISSION OF A RESOLUTION OF DISAPPROVAL OF AMTRAK ROUTE TERMINATIONS

Mr. SCHMITT (for himself, Mr. RANDOLPH, and Mr. BAUCUS) submitted the following resolution, which was referred to the Committee on Commerce, Science, and Transportation:

S. Res. 49

Resolved, That the Senate disapproves of the final recommendations designating the basic route system for the National Railroad Passenger Corporation, submitted to the Congress by the Secretary of Transportation on January 31, 1979, pursuant to section 4(e) of the Amtrak Improvement Act of 1978.

Mr. SCHMITT. Mr. President, yesterday the administration announced its proposal to cut back Amtrak services around the Nation, eliminating 16 intercity passenger trains and abandoning about 12,000 miles of the 27,000 miles of passenger track. This drastic move would leave many cities completely without train service, including Dallas, Tex.; Atlanta, Ga.; Little Rock, Ark.; Nashville, Tenn.; Omaha, Neb.; Charleston, W. Va.; and Albuquerque, N. Mex.

The necessity of reorganizing the Amtrak route structure is not a matter of dispute. In the process of reorganizing, however, it is essential that we not lose sight of the reason for having Amtrak: To provide fast and dependable train service for Americans. I fail to see how Amtrak can do this by eliminating service altogether for towns and cities all across America.

Fortunately, the Congress can send the proposed route changes back to the Department of Transportation for reconsideration simply by passing a resolution of disapproval, provided for in the Amtrak Improvement Act of 1978.

I am submitting such a resolution today, and I call upon my colleagues who are concerned with maintaining a true national rail capability in our country to join in supporting its passage. If future generations of Americans in dozens of towns and cities all across America are to have access to passenger train service in the years ahead, we must return the proposed Amtrak cutbacks to the Department of Transportation for reconsideration.

SENATE RESOLUTION 50—SUBMISSION OF A RESOLUTION OF DISAPPROVAL OF THE PROPOSED BUDGET DEFERRAL AUTHORITY TO PROMOTE AND DEVELOP FISHERY PRODUCTS AND RESEARCH

Mr. KENNEDY (for himself, Mr. GRAVEL, Mr. MAGNUSON, Mr. HOLLINGS, Mr. STEVENS, Mr. MUSKIE, Mr. JACKSON, Mr. CRANSTON, Mr. TSONGAS, Mr. WEICKER, Mr. HATFIELD, Mr. INOUE, Mr. PELL, Mr. CHAFFEE, Mr. MATSUNAGA, Mr. PACKWOOD, Mr. HAYAKAWA, and Mr. COHEN) submitted the following resolution,

which was referred to the Committee on Appropriations, the Committee on the Budget, and the Committee on Commerce, Science, and Transportation, jointly, pursuant to order of January 30, 1975:

S. Res. 50

Resolved, That the Senate disapproves the proposed deferral of budget authority (Deferral D79-6) to promote and develop fishery products and research pertaining to American fisheries set forth in the special message transmitted by the President to the Congress on October 2, 1978, under section 1013 of the Impoundment Control Act of 1974.

● Mr. KENNEDY. Mr. President, I am submitting today, along with a number of my colleagues from coastal States, a resolution disapproving the proposed deferral of budget authority to promote the development of a strong domestic fishery industry. This action was necessitated by a request from the Office of Management and Budget for deferral of \$12,060,000 from the Saltonstall-Kennedy (S-K) reserve fund for fiscal year 1979. The resolution has the strong support of the entire U.S. fishing industry, from New England to Alaska, from the Gulf States to the Pacific. I want to particularly applaud the efforts of Senator GRAVEL in support of the S-K fund. His advocacy on this issue has been invaluable, and the Alaskan fishing industry is fortunate to have both he and Senator STEVENS protecting their interests in the U.S. Senate.

The Saltonstall-Kennedy fund was established in 1954 for the purpose of "promoting the free flow of domestically produced fishery products," and is maintained through the transfer of 30 percent of the duties collected on imported fish products. Congress intended that these funds be used for a variety of development activities, including research, education, and market development.

In recent years, much of the S-K revenue has been used to support fisheries development activities of the National Marine Fisheries Service (NMFS), and, in effect, has become part of the base budget of NMFS. In 1976, the fund was substantially increased—due in part to higher prices on imported fish products—and NMFS began to solicit project proposals in order to make use of these reserve funds in a manner consistent with the provisions of the Saltonstall-Kennedy Act. After over a year of extensive planning and consultation with the domestic industry, NMFS has prepared a comprehensive nation-wide plan which would require at least \$5 million in S-K funds.

We simply cannot afford to delay the implementation of this plan. And nowhere is that more clear than in New England.

After a decade and a half of watching foreign fleets decimate one of the world's richest fishing grounds, Congress finally enacted the Fishery Conservation and Management Act in April of 1976. For all those years, the United States imported vast amounts of fish while our own fishing grounds attracted nearly 1,000 foreign ships each month. The New England fishing industry limped along—undersized and underfinanced—

as fish imports from foreign countries grew year after year. The 200-mile zone was supposed to end this tragic story. The truth is that it has not. A look at our balance of trade reveals that our deficit in fish products has dramatically increased since passage of the 200-mile zone. In 1975, prior to passage of the act, that deficit was \$1.3 billion. Today, it stands at over \$2 billion. And, unless we both promote exports and gain a greater share of our own market, this deficit will continue to grow year after year.

Our New England fishermen, faced with strict quotas on groundfish and the administration's refusal to impose countervailing duties on imported fish, have become increasingly frustrated by the lack of support they receive from their own Government. Just last month, the fishermen of Portland blockaded their own harbor in protest of subsidized Canadian fish which is being dumped on docks from Maine to Massachusetts.

The New England S-K proposals will begin to address this problem. They seek to expand both foreign and domestic markets for American fishermen, and they hope to promote markets for the so-called underutilized species in order to relieve some of the pressure on traditional groundfish stocks such as cod, haddock and yellowtail flounder.

If we are to capitalize on the opportunities available as a result of the 200-mile zone, then this program deserves our immediate attention. If we are to reduce our trade deficit and control inflation, then we should support early funding of these projects.

The pending request for deferral would effectively close out the possibility of funding these projects in this fiscal year. I understand that the Office of Management and Budget has apportioned the funds remaining after the deferral for NMFS base operations, a tuna development project and one-time carryover items. No funds, however, would be available for the projects approved by NMFS totalling some \$5 million.

Unfortunately, the administration has also announced its intent to propose legislation which would abolish the S-K fund in fiscal year 1980. Just as we are beginning to make progress on devising a sound strategy for the development of our domestic fishing industry, we cannot afford to eliminate a major source of Federal support. I am hopeful that the strong support for this resolution in the Senate will encourage the administration to reconsider this proposed legislation.

Mr. President, this resolution will provide the funds necessary to move forward toward the development of a viable domestic fishing industry. I urge its adoption.●

● Mr. GRAVEL. Mr. President, I am pleased to submit along with Senator KENNEDY a resolution designed to make funds available for the development of the U.S. fishing industry. This resolution is intended to direct the Office of Management and Budget to release several million dollars to various fishery development projects affecting all coastal States, especially my State of Alaska. The reso-

lution has wide bipartisan support and I am pleased to join Senator KENNEDY today in its introduction.

The purpose of this disapproval resolution is to require OMB to release money which has already been collected and deposited in the Saltonstall/Kennedy fisheries development account. The money has been there awaiting disbursement since early 1978, but due to numerous delays and setbacks it has not yet been released. Passage of this resolution will compel that long overdue release.

The development of the fishing potential off our American coasts is an endeavor which has been neglected far too long. While the U.S. fishing industry remains in many ways in a state of infancy, other fishing nations are decades ahead of us in fisheries capturing, processing, and marketing capabilities. These foreign nations have been so successful in their development efforts that they not only have moved toward full utilization of their own 200-mile fishing zones but can be found in force off our American coasts as well. I believe that the hour is now upon us when the United States should direct serious attention to the treasure trove of fishery resources off our shores.

The Saltonstall/Kennedy Fisheries Development Fund was created in 1954 for the express purpose of fostering this much-needed oceanic development. Twenty-one projects have currently been chosen for funding, each of which is designed to encourage the full and more efficient utilization of the American fishery resource. Of the approximately \$6 million available for these 21 projects, the Alaskan project was allotted \$1.45 million for a pilot project designed to provide basic fisheries catching, processing and marketing information regarding bottom fishing. Collection and distribution of this information is considered an essential prerequisite to the encouragement of wide participation in the fishing of underutilized species.

The benefits of such an expanded ocean fishery would be manifold. Probably the most significant would be the sizable contribution such a new fishery would provide toward helping to correct the large deficit in the Federal budget. At present there exists an annual \$2.1 billion trade deficit attributable to fisheries imports alone. The development of the U.S. fisheries potential just off the coast of Alaska could not only eliminate this deficit situation but might actually create a favorable export surplus in fisheries products. Additional obvious benefits would be the creation of jobs, the development of a major new source of protein and a general stimulation of the economy.

These numerous benefits, however, will only be realized when a number of existing unknowns in these new fishing activities can be eliminated. Since a substantial portion of the potentially exploitable fishery in the U.S. 200-mile zone involves species which Americans have heretofore largely ignored, a major impediment to fisheries development in the United States is the lack of basic knowledge and technical know-how on the part of fish harvesters and fish processors with these underutilized species.

Unlike large multinational corporate entities with annual allotments for continuing research and development, the U.S. fishing industry is a highly fragmented and loosely organized collection of mostly small companies. They lack sufficient financial reserves and centralization to undertake major development projects on a comprehensive scale. Assistance from programs like the Saltonstall/Kennedy Development Fund is absolutely essential to their continued expansion and development. Pilot projects such as these provide the vital economic information which lending institutions require to extend investment capital and which fish processing companies and fishermen must have to make planning decisions.

For Americans—investors, processors and fishermen alike—to take advantage of these new fisheries opportunities, much basic information is still required. The projects contemplated for funding by the Saltonstall/Kennedy Fisheries Development Fund are designed to provide some of the answers to these fundamental questions.

Therefore, Mr. President, I believe a significant first step in promoting the development of the U.S. fishing industry can be the passage of this disapproval resolution. The passage of the 200-Mile Fishing Act in 1976 set the stage for America's entry into the fishing industry on a large and competitive scale. Passage of fisheries development measures such as this resolution of disapproval will insure that the momentum begun by the Fishery Conservation and Management Act will be sustained and that the United States will realize the great potential which full utilization of the resources of our coastal fishing zone can provide.

Mr. President, as a final note, I would like to draw your attention to an article entitled, "U.S. Fishermen Gear Up For a Haul Off Alaska" which appeared in the January 29, 1979 issue of *Fortune* magazine and I would ask unanimous consent that the text of the article appear at this point in the RECORD. Thank you, Mr. President.

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

U.S. FISHERMEN GEAR UP FOR A HAUL OFF ALASKA

(By Grant F. Winthrop)

Heeding the exhortation of Alaska's state motto, "North to the Future," many Americans have ventured there to claim a share of its gold, oil, and other natural riches. Now a new boom may be in the making. This time the lure is fish, billions of pounds of them that swim far off Alaska's coastline. They became part of Alaska's natural-resource wealth in 1977, when the U.S. expanded its twelve-mile fishing zone to 200 miles. The worldwide demand for fish as a source of food is great and growing. When the fishing industry in the Pacific Northwest starts catching and processing the bounty in the eastern Bering Sea and Gulf of Alaska, as it is preparing to do, the U.S. deficit in seafood trade—\$2.1 billion in 1977, 8 percent of our total trade deficit—could be greatly diminished or even wiped out.

The prospects have brightened not only for U.S. fishing but for U.S. fish processing—thanks to protectionist legislation passed by Congress last August. The man who insti-

gated much of that lobbying effort—C. Reid Rogers, chairman of Seattle's New England Fish Co.—is bursting with enthusiasm over what the new legislation, coupled with the 200-mile limit, could mean to his industry. Says Rogers: "We have before us the opportunity to develop a major new U.S. food resource."

That resource is bottom fish, a broad category that includes such fish as perch, cod, and pollack. Rogers' company and other U.S. seafood companies that do business in Alaska are building bigger, better boats, expanding processing plants, and exploring new markets—in order to catch, freeze, and sell those bottom fish.

U.S. bottom fishing in the northern Pacific area has up to now been a small-scale business. American fishermen in those waters have concentrated on species such as salmon and crab, which are caught in relatively low volume but fetch much higher prices than bottom fish. It is not unusual for the captain of an Alaska crab vessel to make over \$150,000, and his crew over \$60,000 apiece, for a season's work. But the growing number of crab fishermen putting to sea has led to a contraction of the season in order to conserve stocks, and many crab fishermen are turning these days to bottom fishing.

ALLOCATING THE LEFTOVERS

Saturation of the crab fishery is only one factor in the emerging interest in bottom fishing. More important, American fishermen, who have traditionally left the northern Pacific bottom fishery to foreigners—especially to Russians, Japanese, and Koreans, with their huge, sophisticated factory fleets—now have preference over these fleets within 200 miles of the U.S. coast. Within that wide offshore band, subject to conservation limits imposed by the Commerce Department's National Marine Fisheries Service (NMFS), U.S. fishermen may catch as much as they want before foreigners are allowed to fish there at all. The new law, which became effective in March of 1977, put under U.S. jurisdiction an area three times larger than the Louisiana Purchase, containing an estimated 20 percent of the world's seafood resources.

The law was designed in part to protect these vast resources, some of which were being depleted by intensive foreign fishing off our shores. It provided for regional fisheries councils, whose job is to determine how much of each species can be caught in the various fishing regions without endangering stocks. American fishermen are allowed to catch any amount of fish within those quotas. Anything left over can then be allocated by the State Department to foreign fleets. The allocations, as it turns out, may have given the U.S. government some new leverage when it comes to negotiating tariff restrictions on seafood in other countries.

The U.S. industry has a way to go before it can catch up with advanced fishing nations like Japan and West Germany, but the 200-mile law has been a compelling investment incentive in New England, where the effects of foreign competition were particularly onerous, waning coastal cities like Gloucester and New Bedford have been considerably rejuvenated. Fishermen are more prosperous, and the pace of shipbuilding has quickened.

But East Coast fishermen are now running up against the conservation provisions in the law. "When the 200-mile limit came in, everybody said, 'Oh boy, the lid's off,'" says Henry Lyman, a member and former chairman of the New England Regional Fishery Management Council. "What they forgot was that the stocks were already far down from overfishing." The New England council has imposed strict catch quotas and is considering limiting the number of new fishing boats in that area. As a consequence, the revival of the East Coast fishing industry seems limited.

But the opportunities in the northern Pacific region appear almost boundless. Most species of fish in that area are still plentiful. In 1977, Americans caught only 300,000 metric tons of fish and crab off Alaska, about 20 percent of what foreigners netted, so the potential for growth is vast.

Of all the species of fish in the northern Pacific waters, the most abundant by far is Alaska pollack, a high-quality whitefish that is adaptable to many uses. Pollack is not the sort of fish that can be found in the local fishmarket's freezer, but it is widely consumed in the U.S. in fish sticks and other frozen items. It is heavily fished by foreign fleets, especially Japan's, and some American fishermen are gearing up to catch it and supply it to world markets. "The pollack resource in Alaska is enormous," says Terry Leitzell, head of the NMFS. Well over a million metric tons a year are being harvested, mostly by foreigners. To put that in perspective, only 45,000 metric tons of cod and haddock are harvested annually in New England.

Japan, the world's leading fishing nation, is also the major pollack-catching and consuming nation. Most of the pollack consumed there is made into *surimi*, a sort of paste made from ground-up flesh of whitefish. *Surimi* is then made into a variety of different foods that are the equivalent of meat products like bologna, sausage, and salami in this country. *Surimi* and its derivatives are a staple of the Japanese diet.

With the proliferation of 200-mile zones around the world, Japan, like other nations with distant-water fleets, has been put on allocation in many fishing areas. It is increasingly dependent on imports of seafood from other nations, including the United States, which became a net exporter of fish and fish products to Japan in 1977, with \$215 million worth of seafood exports, mostly salmon and crab. That number would be multiplied several times if the United States were catching and selling to Japan all the pollack Japan now harvests in U.S. waters. (Last year, the State Department's pollack allocation to Japanese fishermen in the north Pacific was 800,000 metric tons.)

LOSING THE "AURA OF PENANCE"

Seafood consumption in the U.S. is small in comparison with Japan's: Americans eat only thirteen pounds a year per capita vs. fifty-six pounds for the average Japanese. But the domestic market is growing. According to the National Fisheries Institute, per capita consumption of fresh and frozen fish in the U.S. has increased 34 percent in the past ten years. "There has been a change in national attitudes toward fish," says Thomas A. Fulham of Fulham and Maloney Co., Inc., a Boston fish company. Fulham believes that "the turning point came when the Catholic Church changed the dietary laws about eating fish on Fridays." After that, he says, fish lost its "aura of penance." Concern about nutrition and calories has also converted lots of red-meat lovers in the U.S. to seafood.

One of the fastest-growing segments of the U.S. market is whitefish—e.g., pollack and cod—most of which is imported and accounts for a sizable portion of that \$2.1-billion seafood balance-of-trade deficit. Whitefish filets are becoming increasingly popular as a fast-food item: McDonald's "Filet-O-Fish," for example, is a brisk seller. The restaurants, fast-food chains, and institutions that serve whitefish have generally used cod, but today they are increasingly using pollack. Many of the fish sticks and other frozen-fish portions sold in supermarkets consist of pollack. One of the largest purveyors of such items is Mrs. Paul's Kitchens in Philadelphia, which buys some 50 million pounds of frozen pollack a year, most of it from Korea, which in turn gets much of its pollack from within the U.S. northern Pacific fishing zone. It is the prospect of keeping more of this business for the U.S. industry

that has fishermen and processors in the northern Pacific so excited.

CHANGE FOR A SALMON CANNER

The company that has been at the forefront of efforts to capture the growing bottom-fish market is New England Fish Co. (Nefco), one of the largest independent fish companies in the United States. Nefco sells fresh and frozen fish, canned and processed seafood, and seafood products—\$122 million worth in its fiscal year that ended last March. The business was founded over a century ago in Gloucester (which explains its name), but moved its headquarters to Seattle in 1931. There its main activity until recently has been canning salmon, a business that took a tailspin in 1974 and almost brought about the company's demise. Chairman C. Reid Rogers is still picking up the pieces, but he believes that bottom fishing will be his company's salvation.

Though Nefco has not prospered under Rogers's stewardship, he has been praised for having seen the vast potential in bottom fishing. As Rogers explains it, "I decided it was the best way to get this company on a stable basis, away from seasonal products and into products with a 365-days-a-year supply."

But the 200-mile-limit legislation by no means assured U.S. processors an adequate supply. In fact, at about the time the law was passed, word got around that some Korean fish buyers were up in Kodiak lining up Americans to fish for them. The Koreans were looking to set up joint ventures in which American fishermen would sell their catch on the high seas to Korean factory-processing ships. The Koreans, as well as the Russians, submitted applications for such joint ventures to the Commerce Department.

Naturally, that was unwelcome news for Nefco, which was itself hoping to process the bottom fish. To head off the foreign encroachment, Rogers enlisted the help of Edward W. Furla, thirty-seven, whom he had hired in late 1976 as a consultant for Nefco. Furla is a lawyer, a former Environmental Protection Agency official, and a lobbyist with considerable persuasive powers. As he viewed the situation, the problem was that "foreign factory ships, with no minimum wage and no OSHA and EPA regulations to comply with, could have outbid American processors."

The linchpin of Furla's campaign was an alliance he forged between two traditionally antagonistic groups—fishermen and processors. Furla went to Kodiak and, after a seven-hour meeting on the docks, persuaded the United Fishermen's Marketing Association to lend its support to the effort. Though the fishermen might have gotten higher prices for their catch from foreigners, they were concerned about relying too heavily on the floating foreign factories that could, after all, sail away at any time.

BOON FOR COASTAL TOWNS

After several months of public hearings, the Commerce Department announced a policy of giving U.S. processors a right of first refusal for the catch of U.S. fishermen. Foreigners could buy fish caught by Americans only if U.S. processors didn't want them or lacked the capacity to process them—regardless of whether the foreign buyers were willing to outbid domestic processors. The victory was short-lived, however, because the Commerce Department eventually concluded that it lacked the legal authority to issue such regulations. Furla and other industry spokesmen then took their fight to Congress, with a flurry of arguments showing that processor-preference legislation would be salubrious for U.S. coastal towns and for the U.S. trade deficit. They succeeded in mobilizing powerful support, and last August, President Carter signed legislation giving U.S. processors the kind of preference they wanted.

Now that they have first crack at all the fish caught by Americans, the processors are seeking to enlarge their markets. To that end, the federal government is pressing countries like Japan to lower tariffs and other barriers to U.S. seafood exports. The Japanese do not import any pollack caught by Americans, and they have high tariffs on such things as crab, pollack roe, herring roe, and canned shrimp.

A PUSH FROM THE STATE DEPARTMENT

The effort to reduce trade barriers appears to be paying off. Last month, after lengthy negotiations, Japan agreed to consider slashing duties on more than ten seafood products by 40 percent or more. Now the State Department is pressing Japan to open its door to pollack sales. "We are proceeding slowly to determine if we can use our power to allocate fish to some economic advantage to the United States," says John D. Negroponte, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs—the man in charge of fish allocations to foreign countries. "In the case of pollack, the Japanese have the import restrictions and they get a large quota from our zone. We're pressing them hard on this, telling them they are jeopardizing the good will of the United States on fisheries concessions."

Even before the processor-preference act was signed, Nefco had begun to cash in on the 200-mile-limit legislation. Last June, the company closed a \$100-million deal to sell processed seafood to Japan's Mitsubishi International over the next three years, and it is working on other deals with the Japanese.

But Nefco will have to put its financial house in order before it can invest all Rogers would like to in bottom fishing. An earlier ill-conceived expansion and diversification program coincided with the salmon debacle, leaving the company's capital structure top-heavy with debt. Reid Rogers has recently installed a new president, Peter N. Rogers (no relation), who was brought in last September from Standard Brands, where he was head of the consumer-products division. The new Rogers has to pare the debt down to manageable levels before he can begin raising the \$40 to \$50 million Nefco estimates it needs for new ships, plants, and equipment.

Meanwhile, the company is wading into bottom fishing. Later this winter, it will be sending to Alaska a 110-foot trawler fitted out for year-round high-seas bottom fishing. The trawler will bring in pollack, among others species, to Nefco's Gibson Cove plant on Kodiak Island, where German-made bottom-fish filleting machinery has recently been installed. Nefco's development officer, John B. Harris, has assisted NMFS in fashioning a frankfurter that contains about 30 percent pollack and is higher in protein than the standard all-beef variety. The hot dog will be served in school lunch programs in Seattle next year. Harris adds, with a nod toward the Japanese market, "We know exactly how to make *surimi*."

A SKEPTIC AT MRS. PAUL'S

To be sure, there are still obstacles in the way of full development of the U.S. bottom fishery in the northern Pacific. Nefco estimates that the industry will ultimately need \$1 billion in capital for vessels and another billion for new plants. Whether that investment will be made depends on whether the U.S. fishing industry is truly competitive with foreign suppliers. Nothing in the new law compels independent processors or U.S. consumers to "buy American." None other than Edward Piszek Sr. president of Mrs. Paul's, is avowed, skeptical that the U.S. industry can supply, at competitive prices, the kind of frozen fish blocks his company buys. "We'd be happy to buy from Americans if they were competitive," says Piszek. "But with the cost of labor in Alaska so high, I don't think they can do it." Finally, some people wonder if American fishermen will

be sufficiently motivated by the relatively low value of pollack to want to fish for it.

Nonetheless, U.S. bankers are anxious to share in the bounty created by the 200-mile limit, and are interested in supplying capital for expansion. Somewhat ironically, moreover, Japanese trading companies are providing assistance for expansion of U.S. plants in return for a guaranteed supply of processed seafood.

Fish processors like Nefco admit that it will take time before they can offer the blocks of frozen fish Mrs. Paul's buys, at a price competitive with the Koreans. That particular business is highly labor-intensive. For starters, Nefco will concentrate on developing markets for individually frozen filets, which are produced with a lower labor component. But over the long run, the processors point out, the cost of labor in Asia should rise relative to U.S. costs, and the new American processing plants going up will be highly automated. As for the incentive for fishermen to enter the bottom fishery, Nefco's Harris reports that the company is being approached by an increasing number of fishermen volunteering to bottom fish. Owners of crab vessels have an estimated \$100 million on hand for new vessel construction. With the crab fishery nearing saturation, that money is already going into new boats that have the capability to catch crab but are also outfitted for bottom-fish trawling.

The U.S. bottom-fishing industry won't catch up with its foreign competition overnight, since it is very late in crossing the starting line. Industry and government prognosticators believe it will take two decades for Americans to develop the markets, the fleets, and the processing capacity to keep all those pollack off Alaska for themselves. But if U.S. industry can meet the challenge, northern Pacific ports like Sitka, Ketchikan, Kodiak, and Cordova will become as prominent as Gloucester and New Bedford were at the turn of this century, when the East Coast fishing industry was in its heyday. ●

● Mr. MAGNUSON. Mr. President, I join today with a bipartisan group of colleagues to submit a resolution disapproving the deferral of funds collected under the Saltonstall-Kennedy Act. This deferral hinders the efforts of the American fishing industry to begin harvesting and marketing the extensive fishery resources within the 200-mile fishery conservation zone established by the Fishery Conservation and Management Act of 1976. The deferral brings to a halt agency-approved projects designed to assist American fishermen in developing the capacity to fully exploit these fisheries.

The potential value to the American economy of fisheries resources within the 200-mile zone is immense. A recent study commissioned by the Department of Commerce concludes that American fishermen have access to about 3 million metric tons more fish than they currently harvest. Presently most of this fish is caught by foreign fleets and sold back to the United States as imported products. Imported products account for over 75 percent of the U.S. white-fleshed fish product market and contribute to the annual \$2-billion negative balance to payments for fish products. Consequently, support for the American fishing industry's attempts to recapture available resources and markets is consistent with efforts to reduce the U.S. trade deficit and to control inflation. I believe we must encourage the American fishing industry's revitalization and growth.

The Saltonstall-Kennedy fund was es-

tablished in 1954 to promote the free flow of domestically produced fishery products. The National Marine Fisheries Service (NMFS), the administrator of the fund, recently prepared a nationwide list of projects which would assist the fishing industry in developing presently underutilized species and in entering foreign markets. These projects, including the activities of development groups seeking to exploit underutilized species in Puget Sound and Alaska, have been delayed by the deferral of Saltonstall-Kennedy revenues. Early funding of the projects is necessary if U.S. fishermen are to compete successfully with foreign fishermen within our 200-mile zone. I urge the Congress to act favorably upon this resolution. ●

● Mr. MUSKIE. Mr. President, I am pleased to join with my colleagues Senators KENNEDY, MAGNUSON, HOLLINGS, GRAVEL, STEVENS, CRANSTON, JACKSON, TSONGAS, WEICKER, HATFIELD, INOUE, PELL, CHAFEE, MATSUNAGA, PACKWOOD, HAYAKAWA, and COHEN in introducing a resolution to disapprove the deferral of funds under the Saltonstall-Kennedy fisheries development program.

The development activities financed under the program are of tremendous value to our fishermen, particularly at this time when our industry is moving toward the utilization of new resources available under the 200-mile fishing limit.

In Maine and throughout New England, these funds are directed particularly toward underutilized or nontraditional species such as squid, mackerel, and whiting. Major foreign markets exist for many species not traditionally harvested by our domestic fleets. Fisheries development programs hold the promise of reducing the pressure on heavily exploited traditional species such as cod and haddock, revitalizing our fishing industry—from harvesting to processing and marketing—and improving our overall foreign trade balance by creating a new export market.

I urge my colleagues to join in supporting this resolution. ●

SENATE RESOLUTION 51—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FINANCE

Mr. LONG, from the Committee on Finance, reported the following original resolution, which was referred to the Committee on Rules and Administration:

S. RES. 51

Resolved, That the Committee on Finance is authorized to expend from the contingent fund of the Senate, during the Ninety-sixth Congress, \$30,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

SENATE RESOLUTION 52—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FINANCE

Mr. LONG, from the Committee on Finance, reported the following original

resolution, which was referred to the Committee on Rules and Administration:

S. RES. 52

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1979, through February 29, 1980, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the committee under this resolution shall not exceed \$1,300,000, of which amount not to exceed \$200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1980.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 53—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

Mr. MAGNUSON, from the Committee on Appropriations, reported the following original resolution, which was referred to the Committee on Rules and Administration:

S. RES. 53

Resolved, That the Committee on Appropriations is authorized to expend from the contingent fund of the Senate, during the Ninety-sixth Congress, \$400,000 in addition to the amount and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

SENATE RESOLUTION 54 AND SENATE RESOLUTION 55—SUBMISSION OF RESOLUTIONS OF DISAPPROVAL WITH RESPECT TO ENERGY ACTIONS 3 AND 4

Mr. JACKSON submitted the following resolutions, which were referred to the Committee on Energy and Natural Resources:

S. RES. 54

Resolved, That the Senate does not favor the energy action numbered 3 transmitted to Congress on January 31, 1979.

S. RES. 55

Resolved, That the Senate does not favor the energy action numbered 4 transmitted to Congress on January 31, 1979.

● Mr. JACKSON. Mr. President, yesterday the President's proposals to exempt aviation gasoline and kerosene-base jet fuel from mandatory price and allocation regulations were transmitted to the Congress. These proposals are submitted

under authority granted to the President by section 12 of the Emergency Petroleum Allocation Act of 1973 and pursuant to procedures for congressional review specified in section 551 of the Energy Policy and Conservation Act. Section 551 provides that an "energy action"—for example, any rule exempting a particular oil or refined petroleum product from price or allocation regulations—becomes effective at the end of a 15-day period beginning the day after transmittal to Congress unless either House passes a resolution of disapproval with respect to such action. Today is the first day of the 15-day period. Excluded from computation of this period are those days during which the Senate or the House is in recess for longer than 3 calendar days. Therefore, assuming that both the House and Senate are in session on Friday, February 9, and return from the February recess on Monday, February 19, the period of congressional review for energy actions 3 and 4 will expire on midnight, February 24.

These energy actions propose the exemption from price and allocation controls of aviation gasoline and kerosene-base jet fuel. Aviation gasoline is a petroleum fuel for piston-engined aircraft used primarily by general aviation—business, corporate, and personal travel, sport flying and air taxi, rental and commuter airline consumption. Refiner sales of aviation gasoline for the first half of 1978 amounted to 262 million gallons (or about 34,000 barrels per day). Additional information concerning the market for aviation gasoline is contained in the "Findings and Views Concerning the Exemption of Aviation Gasoline from the Mandatory Petroleum Allocation and Price Regulations" published by the Department of Energy (DOE/ER-0024).

Kerosene-base jet fuel is the fuel employed by the domestic and international airlines. Energy actions 3 and 4 relate primarily to civilian use of jet fuel. Military jet fuels were exempted from mandatory controls in 1976 by the energy action mechanism. Kerosene-based jet fuel demand was 838,000 barrels per day for the first half of 1978—just over 4 percent of U.S. petroleum consumption. "Findings and Views Concerning the Exemption of Kerojet Fuels from the Mandatory Petroleum Allocation and Price Regulations" (DOE/ER-0023) presents the Department's detailed analysis of the case for decontrol of kerojet fuel.

Today I am submitting resolutions of disapproval with respect to energy actions 3 and 4. I believe that the justification for decontrol deserves careful study. In the event that any Member of the Senate decides that disapproval of these proposals is warranted, these resolutions can serve as the legislative vehicles for congressional review as contemplated in the Energy Policy and Conservation Act.

Mr. President, I ask unanimous consent that the texts of the DOE letter of transmittal and the proposals submitted with respect to energy actions 3 and 4 be printed in the RECORD at this point.

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

DEPARTMENT OF ENERGY,
Washington, D.C.

Hon. WALTER F. MONDALE,
President of the Senate

DEAR MR. PRESIDENT: Under the authority which the President delegated to me in Executive Order No. 12038 (43 FR 4957, February 7, 1978) I am hereby submitting to the Senate, as DOE Energy Action No. 3, an amendment exempting aviation gasoline and kerosene-base jet fuel from the Mandatory Petroleum Allocation Regulations. I am also hereby submitting to the Senate DOE Energy Action No. 4, an amendment exempting aviation gasoline and kerosene-base jet fuel from the Mandatory Petroleum Price Regulations. These actions are taken pursuant to and in accordance with the procedures of section 12 of the Emergency Petroleum Allocation Act of 1973, as amended (EPAA, Public Law 93-159), section 551 of the Energy Policy and Conservation Act (EPCA, Public Law 94-163), and section 102 of the Energy Conservation and Production Act (Public Law 94-385). In accordance with those statutes, I am concurrently submitting these energy actions to the House of Representatives.

The findings and views to support these amendments, which section 12 of the EPAA requires, are set forth in the enclosed documents, the Findings and Views Concerning the Exemption of Aviation Gasoline from the Mandatory Petroleum Allocation and Price Regulations and the Findings and Views Concerning the Exemption of Kerojet Fuels from the Mandatory Petroleum Allocation and Price Regulations.

In view of the period of Congressional review provided for by section 12 of the EPAA and section 551 of the EPCA, the enclosed amendments will not become effective until the first day following the expiration of the fifteen-day Congressional review period. Recently the Department of Energy adopted Standby Product Price and Allocation Regulations (44 FR. 3928, January 18, 1979) that provide for the reimposition by the Department of controls on refined petroleum products in the event of a fuel emergency. In case of such an emergency, controls on aviation gasoline and kerosene-based jet fuel could be reimposed through the procedures and in the form set forth in the new standby regulations.

Sincerely,

JAMES R. SCHLESINGER
Secretary.

[Docket No. ERA-R-78-5]

[Docket No. ERA-R-78-6]

TITLE 10—ENERGY

CHAPTER II—DEPARTMENT OF ENERGY

Part 210—General allocation and price rules

Part 211—Mandatory petroleum allocation regulations

(Exemption of Kerosene-Base Jet Fuel and Aviation Gasoline from the Mandatory Petroleum Allocation Regulations)

Agency: Economic Regulatory Administration, Department of Energy.
Action: Final Rule.

Summary: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) is amending 10 CFR Parts 210 and 211 to exempt kerosene-base jet ("kerojet") fuel and aviation gasoline from its Mandatory Petroleum Allocation Regulations. This exemption amendment has been transmitted to the Congress as DOE Energy Action No. 3 under the procedures set forth in the Energy Policy and Conservation Act which provide for a fifteen-day review period. In connection with its exemption of kerojet fuel and aviation gasoline from the allocation regulations, the ERA is issuing concurrently with this rule a separate amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Price Regulations. Both exemptions will become effective on the first day following the ex-

piration of the fifteen-day Congressional review period. We are also issuing two documents entitled Findings and Views Concerning the Exemption of Kerojet Fuels from the Mandatory Petroleum Allocation and Price Regulations and the Findings and Views Concerning the Exemption of Aviation Gasoline from the Mandatory Petroleum Allocation and Price Regulations ("Findings"). The Secretary of Energy (the "Secretary") is submitting both amendments and the Findings to the Congress for review.

Effective date: The first day following the expiration of the fifteen-day Congressional review period.

For further information contact:

Bill Webb (Office of Public Information)
2000 M Street, N.W., Room B110, Washington, D.C. 20461, (202) 634-2170.

Gerald P. Emmer or William E. Caldwell,
(Economic Regulatory Administration), 2000 M Street, N.W., Room 2304, Washington, D.C. 20461, (202) 254-8034.

Joel M. Yudson or Jack O. Kendall, (Office of General Counsel), 1200 Pennsylvania Avenue, N.W., Room 5134, Washington, D.C. 20461, (202) 633-8622.

Supplementary Information: I. Background, II. Comments Received, III. Findings and Views, IV. Standby Authority.

I. BACKGROUND

On February 12, 1978, the Economic Regulatory Administration (ERA) of the Department of Energy (DOE) issued advance notices of proposed rulemaking and public hearing on kerojet fuel deregulation (43 FR 6959, February 17, 1978) and aviation gasoline deregulation (43 FR 6962, February 17, 1978). We concurrently issued two documents entitled Preliminary Findings and Views Concerning the Exemption of Kerojet Fuels from the Mandatory Petroleum Allocation and Price Regulations and Preliminary Findings and Views Concerning the Exemption of Aviation Gasoline from the Mandatory Petroleum Allocation and Price Regulations ("Preliminary Findings"). The advance notices were issued to obtain public comment on the Preliminary Findings for the purpose of whether the ERA should initiate rulemaking proceedings proposing the exemption of kerojet fuel and aviation gasoline from the price and allocation regulations.

The comments submitted in response to the advance notices generally supported our Preliminary Findings. Therefore, on June 22, 1978 we concurrently issued notices of proposed rulemaking on kerojet fuel deregulation (43 FR 27974, June 27, 1978) and aviation gasoline deregulation (43 FR 27976, June 27, 1978).

The comments and statements in response to the advance notices enabled us to prepare the Findings in support of exempting kerojet fuel and aviation gasoline.

Section 402(c)(1) of the Department of Energy Organization Act (DOE Act, Public Law 95-91) requires the FERC to consider any proposal by the Secretary to amend any regulation under section 4(a) of the Emergency Petroleum Allocation Act, as amended (EPAA, Public Law 93-159), when either section 8 or section 12 of the EPAA requires the President to transmit the proposal to each House of Congress for its review under section 551 of the Energy Policy and Conservation Act, as amended (EPCA, Public Law 94-163).

Under this statutory provision, the Secretary forwarded to the FERC by letter dated June 22, 1978, the proposed amendments to exempt kerojet fuel and aviation gasoline from both the Mandatory Petroleum Allocation Regulations and the Mandatory Petroleum Price Regulations.

The FERC published a notice of public hearing (43 FR 29293, July 7, 1978) and conducted its hearings concerning the proposed exemptions of aviation gasoline and kerojet fuel on August 1 and 3, 1978, respectively. In

addition, the FERC accepted written comments through August 11, 1978. The FERC's hearings transcripts, the written comments, the transcripts of the ERA hearings of March 22, 1978 and March 23, 1978, the ERA's findings, and the earlier comments submitted to the ERA were the basis of the FERC's subsequent deliberations on kerojet fuel and aviation gasoline deregulation.

By letter of September 6, 1978, the FERC responded to the Secretary, advising him of its preliminary conclusions and that unless by noon, September 8, 1978 the Secretary were to inform the FERC that he wished to consult on any matter addressed in the letter, the FERC would forward to the Secretary a further letter stating its concurrence in the proposals without formal recommendations. The Deputy Secretary responded on September 11, 1978, stating that in light of the fact that the FERC's concurrence in the amendments proposed by the Secretary would not be subject to any binding recommendations within the meaning of section 404(b) of the DOE Act, no further consultation beyond the exchange of letters would be necessary. The FERC, on September 12, 1978, concurred without recommendations in the Secretary's kerojet fuel and aviation gasoline deregulation proposals and on that date issued its Analysis and Recommendations in these matters.

Section 404(c) of the DOE Act provides that the Secretary, following the publication of FERC's recommendations, (1) may issue a final rule in the form initially proposed if the FERC has concurred, (2) may issue a final rule in amended form so that the rule conforms in all respects with the FERC's recommended changes, or (3) may issue no rule. Inasmuch as the FERC concurred without recommendations, we are issuing the kerojet fuel and aviation gasoline deregulation amendments under section 404(c)(1) of the DOE Act.

Concurrently with the issuance of this amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Allocation Regulations, we are issuing a separate amendment to exempt kerojet fuel and aviation gasoline from the Mandatory Petroleum Price Regulations. The Secretary is concurrently submitting both amendments for Congressional review, as DOE Energy Actions Nos. 3 and 4, respectively, pursuant to section 551 of the EPCA, and in accordance with section 102 of the Energy Conservation and Production Act, as amended (ECPA, Public Law 94-385), which requires that the DOE submit separate energy actions to the Congress when proposing the exemption of any oil, refined petroleum product, or refined product category from both price and allocation regulations, but does not prohibit concurrent submissions of such separate energy actions. We are combining kerojet fuel and aviation gasoline into one refined product category, as permitted under the definition of that term in section 12(c)(3) of the EPAA. Thus, we are submitting for Congressional review a single energy action for the removal of allocation controls from both kerojet fuel and aviation gasoline and another energy action for the removal of price controls from both products.

II. COMMENTS RECEIVED

A. Advance Notice on Kerojet Fuel Deregulation. The ERA invited written comments on the advance notice concerning kerojet fuel deregulation through March 27, 1978 and held a public hearing in Washington, D.C. on March 23, 1978. Over sixty parties submitted oral and written comments in response to the February 17 advance notice. Those offering comments included major integrated refining companies, large and small independent refining companies, retailers, trade associations, air carriers, consumer groups and governmental representatives.

All of those commenting in response to the advance notice on kerojet fuel recommended that the ERA propose the exemption of kerojet fuel from the allocation and price regulations. This recommendation was based generally upon agreement with our projections as to supply and demand, competition, and other findings and views set forth in the Preliminary Findings. In particular, there was widespread agreement that competition and market forces are adequate to protect consumers following the exemption of kerojet fuel from regulation. Many commenters expressed the opinion that deregulation would enhance competition in all sectors of the kerojet fuel market.

Retailers indicated that there may be kerojet fuel price increases in certain regions by fixed base operators to reflect increased non-product costs. Refiners generally agreed with our projections in the Preliminary Findings that while regional price increases may occur as both refiner and retailer non-product cost increases are fully passed through on the volume of product on which they are incurred, these regional increases should be offset in part by reductions in other regions.

The airline industry and, in particular, the Air Transport Association, generally recommended the establishment of a mechanism, similar to the proposed Special Rule No. 4 for motor gasoline (See 42 FR 40915, August 12, 1977), to assure airlines a source of kerojet fuel supply during the transition period following deregulation. The airline industry also favored the establishment of a price monitoring system, without a pre-set index or "trigger," coupled with a formal procedure which would require the ERA to take action on an air carrier's complaint of discriminatory treatment with regard to pricing or supply of kerojet fuel. Other commenters were nearly unanimously opposed to both recommendations.

B. Advance Notice on Aviation Gasoline Deregulation. The ERA invited written comments on the advance notice concerning aviation gasoline deregulation through March 27, 1978 and held a public hearing in Washington, D.C. on March 22, 1978. Forty-six parties submitted oral and written comments in response to the February 17 advance notice. Those offering comments included major integrated refining companies, large and small independent refining companies, retailers, trade associations representing consumers, and governmental representatives.

All of those commenting in response to the advance notice on aviation gasoline recommended that the ERA propose the exemption of aviation gasoline from the allocation and price regulations. This recommendation was based generally upon agreement with our projections as to supply and demand, competition, and other findings and views set forth in the Preliminary Findings. As in the hearing on kerojet fuel, there was agreement that competition and market forces are adequate to protect consumers following the exemption of aviation gasoline from regulation. Many commenters expressed the opinion that deregulation would enhance competition in the aviation gasoline market.

In general, retailers concurred with the Preliminary Findings that there will be only minor pressure to increase prices of aviation gasoline as a result of deregulation. Retailers indicated, however, that fixed base operators in certain regions may increase prices to reflect localized increased non-product costs. Refiners generally agreed with our projections in the Preliminary Findings that, while regional price increases may occur as both refiner and retailer non-product cost increases are fully passed through on the volume of product on which they are incurred, these regional increases should be offset in part by reductions in other regions.

C. FERC Comments Received on Kerojet Fuel and Aviation Gasoline Deregulation.

The FERC invited written comments on the ERA's proposals to exempt kerojet fuel and aviation gasoline through August 11, 1978 and held a public hearing on aviation gasoline on August 1, 1978 and a public hearing on kerojet fuel on August 3, 1978. Four parties commented orally on the aviation gasoline proposal and seven parties so commented on the kerojet fuel proposal. The FERC also received fifty-one written comments. Those offering comments on the deregulation proposals included major integrated refining companies, large and small independent refining companies, retailers, trade associations, air carriers, and governmental representatives.

None of the oral or written comments to the FERC expressed opposition to the deregulation of either aviation gasoline or kerojet fuel. There were, however, some suggestions for modifications. A large majority of the written comments expressed support for the proposal without further elaboration. A few commenters provided additional factual material or added analysis to supplement the ERA's Findings.

In its September 6 letter to the Secretary the FERC indicated that, after reviewing the comments, it found two areas of particular concern. The first related to the possibility that spot shortages of the aviation fuels may occur. This concern apparently stemmed from the July 26, 1978 letter from the Energy Planning Division of the Montana Department of Natural Resources and Conservation to the FERC which indicated that, although the supply of aviation products had appeared sufficient in the spring of 1978, new fixed base operators and small, established fixed base operators were currently experiencing difficulty in obtaining supplies. Adequacy of supplies for forest fire fighting and other emergency situations was expressed as being of immediate concern. Comments from the organizations representing fixed base operators and other marketers did not express such concern over supply availability. The FERC requested the Secretary to consider the possibility of a transitional supply protection program, more limited in scope than proposed Special Rule No. 4 for motor gasoline, applicable to only certain regions of the country. In this connection, the comments submitted to the FERC by the commercial airlines repeated the recommendation made to the ERA that a mechanism be established to provide airlines adequate sources of supply of kerojet fuel during the transition period following deregulation. The airlines, despite their desire for a transitional supply protection program, supported the exemptions in any event.

The FERC's second concern related to price monitoring. The substance of the FERC's suggestion in this regard—that we set forth the means by which we intend to monitor aviation fuel prices after deregulation—is dealt with in the preamble to the amendment exempting kerojet fuel and aviation gasoline from the price regulations.

After carefully considering all the comments, we have concluded that the initial view that kerojet fuel and aviation gasoline should be exempted from regulations is correct. No information or data were presented which meaningfully alter the ERA's conclusions in its Findings.

Our analysis indicates that when free market forces emerge following kerojet fuel and aviation gasoline deregulation, supply problems will be minimized. We project adequate supplies of kerojet fuel and aviation gasoline at least through 1980. As we have done with respect to products previously deregulated, we will continue to collect supply data pursuant to our general statutory authority to receive such information. The supply data collected by the Energy Information Administration will enable us to detect any significant supply problems which may develop following deregulation.

Based on our projections concerning supplies of kerojet fuel and aviation gasoline and the demonstrated ability of airlines to cope with supply problems, we conclude that it is not necessary to establish a mechanism to assure airlines a source of kerojet fuel supply during the transition period following the effective date of the exemptions or to establish a formal procedure which would require the ERA to take action on an air carrier's complaint of discriminatory treatment. To the degree that possible local shortages of aviation gasoline or kerojet fuel might occur following deregulation, we could reimpose controls to the limited extent necessary to meet an emergency and redirect product or take other action as the situation would require. In addition, in some instances, problems may be resolved without resort to formal action, as ERA could suggest voluntary measures to relieve individual problems.

III. FINDINGS AND VIEWS

In addition to this amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Allocation Regulations and the concurrent amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Price Regulations, we are issuing the Findings supporting these amendments, as required by section 12 of the EPAA. They are based upon our consideration of the comments of those persons who participated in the rulemaking proceedings and other available information.

Our general conclusions set forth in the Findings may be summarized, in part, as follows:

1. Kerojet fuel and aviation gasoline are not in short supply.
2. Exemption of kerojet fuel and aviation gasoline from the allocation and price regulations will not have an adverse impact on the supply of any other oil or refined petroleum product subject to the EPAA.
3. Following exemption of kerojet fuel and aviation gasoline from regulations, competition and market forces should be adequate to protect consumers.
4. Exemption of kerojet fuel and aviation gasoline from regulation will not result in inequitable prices for any class of user of kerojet fuel, aviation gasoline, or other products.
5. The exemption of kerojet fuel and aviation gasoline will not have adverse impacts on any governmental unit, state or region.
6. As long as supplies remain adequate, exemption of kerojet fuel and aviation gasoline will not have an adverse effect on the availability of consumer goods and services; the Gross National Product (GNP); competition small business; supply and availability of energy resources as fuel or feedstock for industry; consumer prices; the Consumer Price Index, or the implicit price deflator for the GNP; or the rate of unemployment.

We also believe that as long as supplies continue to be adequate, the continuation of allocation and price controls on kerojet fuel and aviation gasoline is unnecessary to protect the public health, safety and welfare, and the national defense (section 4(b)(1)(A)); the maintenance of all public services (section 4(b)(1)(B)); the maintenance of agricultural operations (section 4(b)(1)(C)); or the maintenance of exploration for and production or extraction of fuels and minerals (section 4(b)(1)(G)). Adequate supply and the positive effects of increased competition should also ensure that exemption of kerojet fuel and aviation gasoline would be consistent with the preservation of an economically sound and competitive petroleum industry (section 4(b)(1)(D)); the equitable distribution of crude oil, residual fuel oil and refined petroleum products at equitable prices (section 4(b)(1)

(F)); economic efficiency (section 4(b)(1)(H)); and minimization of economic distortion, inflexibility, and interference with market mechanisms (section 4(b)(1)(I)). The exemption of kerojet fuel and aviation gasoline should have no adverse effect on the allocation of suitable crude oil to domestic refineries (section 4(b)(1)(E)).

IV. STANDBY AUTHORITY

Section 12(f) of the EPAA provides that following the exemption of any refined product category from regulation, the DOE shall have the authority at any time to reimpose allocation regulations if necessary to attain the objectives of the EPAA. For this reason, we are adopting amendments which exempt kerojet fuel and aviation gasoline from the general allocation regulations but which do not delete those regulations from the Code of Federal Regulations. We have, in effect, converted them to standby status, so that, in the event of shortages or other occurrences which might require reimposition of controls, we may, with appropriate modifications, quickly put them back into effect. In this connection, we have recently adopted additional standby product allocation and price regulations (44 FR 3928, January 18, 1979) that may be ordered into effect as to kerojet fuel and aviation gasoline.

(Emergency Petroleum Allocation Act of 1973, Public Law 93-159, as amended, Public Law 93-511, Public Law 94-99, Public Law 94-133, Public Law 94-163, and Public Law 94-385; Federal Energy Administration Act of 1974, Public Law 93-275, as amended, Public Law 94-332, Public Law 94-385, Public Law 95-70, and Public Law 95-91; Energy Policy and Conservation Act, Public Law 94-163, as amended, Public Law 94-385, and Public Law 95-70; Energy Conservation and Production Act, Public Law 94-385, as amended, Public Law 95-70, Public Law 95-91; Department of Energy Organization Act, Public Law 95-91; E.O. 11790, 39 FR 23185; E.O. 12009, 42 FR 46267.)

In consideration of the foregoing, Parts 210 and 211 of Chapter II, Title 10 of the Code of Federal Regulations, are amended as set forth below, effective on the first day following the expiration of the fifteen-day Congressional review period provided for by section 551 of the Energy Policy and Conservation Act.

Issued in Washington, D.C., January 31, 1979.

DAVID J. BARDIN,
Administrator,
Economic Regulatory Administration.

1. Section 210.35 is amended by revising subparagraph (g)(1) and by adding subparagraph (h)(1) to read as follows:
§ 210.35 Exempted products.

(g)(1) Aviation turbine fuel (naphtha-base and kerosene-base) as defined in § 211.142 of this chapter is exempt from the provisions of Part 211 of this chapter.

(h)(1) Aviation gasoline as defined in § 211.142 of this chapter is exempt from the provisions of Part 211 of this chapter.

2. Section 211.1 is amended in paragraph (b) by revising subparagraph (9) and adding new subparagraph (10) to read as follows:
§ 211.1 Scope.

(b) Exclusions.

(9) Notwithstanding the other provisions of this part, including Subpart H of this part, aviation turbine fuel (naphtha-base and kerosene-base) is excluded from this part.

(10) Notwithstanding the other provisions of this part, including Subpart H of this

part, aviation gasoline is excluded from this part.

[Docket No. ERA-R-78-5]

[Docket No. ERA-R-78-6]

TITLE 10—ENERGY

CHAPTER II—DEPARTMENT OF ENERGY

Part 210—General allocation and price rules

Part 212—Mandatory petroleum price regulations

(Exemption of Kerosene-Base Jet Fuel and Aviation Gasoline from the Mandatory Petroleum Price Regulations).

Agency: Economic Regulatory Administration, Department of Energy.

Action: Final Rule.

Summary: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) is amending 10 CFR Parts 210 and 212 to exempt kerosene-base jet ("kerojet") fuel and aviation gasoline from its Mandatory Petroleum Price Regulations. The exemption has been transmitted to the Congress as DOE Energy Action No. 4 under the procedures set forth in the Energy Policy and Conservation Act which provide for a fifteen-day review period. In connection with its exemption of kerojet fuel and aviation gasoline from the price regulations, the ERA is issuing concurrently with this rule a separate amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Allocation Regulations. Both exemptions will become effective on the first day following the expiration of the fifteen-day Congressional review period. We are also issuing two documents entitled Findings and Views Concerning the Exemption of Kerojet Fuels from the Mandatory Petroleum Allocation and Price Regulations and the Findings and Views Concerning the Exemption of Aviation Gasoline from the Mandatory Petroleum Allocation and Price Regulations ("Findings"). The Secretary of Energy (the "Secretary") is submitting both amendments and the Findings to the Congress for review.

Effective date: The first day following the expiration of the fifteen-day Congressional review period.

For further information contact:

Bill Webb (Office of Public Information), 2000 M Street, N.W., Room B110, Washington, D.C. 20461 (202) 634-2170. Gerald P. Emmer or William E. Caldwell (Economic Regulatory Administration), 2000 M Street, N.W., Room 2304, Washington, D.C. 20461, (202) 254-8034. Joel M. Yudson or Jack O. Kendall (Office of General Counsel), 1200 Pennsylvania Avenue, N.W., Room 5134, Washington, D.C. 20461, (202) 633-8622.

Supplementary information: I. Background, II. Comments Received, III. Findings and Views, IV. Standby Authority.

I. BACKGROUND

On February 12, 1978, the Economic Regulatory Administration of the Department of Energy issued advance notices of proposed rulemaking and public hearing on kerojet fuel deregulation (43 FR 6959, February 17, 1978) and aviation gasoline deregulation (43 FR 6962, February 17, 1978). We concurrently issued two documents entitled Preliminary Findings and Views Concerning the Exemption of Kerojet Fuels from the Mandatory Petroleum Allocation and Price Regulations and Preliminary Findings and Views Concerning the Exemption of Aviation Gasoline from the Mandatory Petroleum Allocation and Price Regulations ("Preliminary Findings"). The advance notices were issued to obtain public comment on the Preliminary Findings for the purpose of determining whether the ERA should initiate rulemaking proceedings proposing the exemption of kerojet fuel and aviation gasoline from the price and allocation regulations.

The comments submitted in response to the advance notices generally supported our

Preliminary Findings. Therefore, on June 22, 1978 we concurrently issued notices of proposed rulemaking on kerojet fuel deregulation (43 FR 27974, June 27, 1978) and aviation gasoline deregulation (43 FR 27976, June 27, 1978).

The comments and statements in response to the advance notices enabled us to prepare the Findings in support of exempting kerojet fuel and aviation gasoline.

Section 402(c)(1) of the Department of Energy Organization Act (DOE Act, Public Law 95-91) requires the FERC to consider any proposal by the Secretary to amend any regulation under section 4(a) of the Emergency Petroleum Allocation Act, as amended (EPAA, Public Law 93-159), when either section 8 or section 12 of the EPAA requires the President to transmit the proposal to each House of Congress for its review under section 551 of the Energy Policy and Conservation Act, as amended (EPCA, Public Law 94-163).

Under this statutory provision, the Secretary forwarded to the FERC by letter dated June 22, 1978, the proposed amendments to exempt kerojet fuel and aviation gasoline from both the Mandatory Petroleum Allocation Regulations and the Mandatory Petroleum Price Regulations.

The FERC published a notice of public hearing (43 FR 29298, July 7, 1978) and conducted its hearings concerning the proposed exemptions of aviation gasoline and kerojet fuel on August 1 and 3, 1978, respectively. In addition, the FERC accepted written comments through August 11, 1978.

The FERC's hearing transcript, the written comments, the transcripts of the ERA hearings of March 22, 1978 and March 23, 1978, the ERA's Findings, and the earlier comments submitted to the ERA were the basis of the FERC's subsequent deliberations on kerojet fuel and aviation gasoline deregulation.

By letter of September 6, 1978, the FERC responded to the Secretary, advising him of its preliminary conclusions and that unless by noon, September 8, 1978 the Secretary were to inform the FERC that he wished to consult on any matter addressed in the letter, the FERC would forward to the Secretary a further letter stating its concurrence in the proposals without formal recommendations. The Deputy Secretary responded on September 11, 1978, stating that in light of the fact that the FERC's concurrence in the amendments proposed by the Secretary would not be subject to any binding recommendations within the meaning of 404(b) of the DOE Act, no further consultation beyond the exchange of letters would be necessary. The FERC, on September 12, 1978, concurred without recommendations in the Secretary's kerojet fuel and aviation gasoline deregulation proposals and on that date issued its Analysis and Recommendations in these matters.

Section 404(c) of the DOE Act provides that the Secretary, following the publication of the FERC's recommendations, (1) may issue a final rule in the form initially proposed if the FERC has concurred, (2) may issue a final rule in amended form so that the rule conforms in all respects with the FERC's recommended changes, or (3) may issue no rule. Inasmuch as the FERC concurred without recommendations, we are issuing the kerojet fuel and aviation gasoline deregulation amendments under section 404(c)(1) of the DOE Act.

Concurrently with the issuance of this amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Price Regulations, we are issuing a separate amendment to exempt kerojet fuel and aviation gasoline from the Mandatory Petroleum Allocation Regulations. The Secretary is concurrently submitting both amendments for Congressional review, as DOE Energy Actions Nos. 4 and 3, respectively, pursuant to sec-

tion 551 of the EPCA, and in accordance with section 102 of the Energy Conservation and Production Act, as amended (ECPA, Pub. L. 94-385), which requires that the DOE submit separate energy actions to the Congress when proposing the exemption of any oil, refined petroleum product, or refined product category from both price and allocation regulations, but does not prohibit concurrent submissions of such separate energy actions. We are combining kerojet fuel and aviation gasoline into one refined product category, as permitted under the definition of that term in section 12(c)(3) of the EPAA. Thus, we are submitting for Congressional review a single energy action for the removal of allocation controls from both kerojet fuel and aviation gasoline and another energy action for the removal of price controls from both products.

II. COMMENTS RECEIVED

A. Advance Notice on Kerojet Fuel Deregulation. The ERA invited written comments on the advance notice concerning kerojet fuel deregulation through March 27, 1978 and held a public hearing in Washington, D.C. on March 23, 1978. Over sixty parties submitted oral and written comments in response to the February 17 advance notice. Those offering comments included major integrated refining companies, large and small independent refining companies, retailers, trade associations, air carriers, consumer groups and governmental representatives.

All of those commenting in response to the advance notice on kerojet fuel recommended that the ERA propose the exemption of kerojet fuel from the allocation and price regulations. This recommendation was based generally upon agreement with our projections as to supply and demand completion, and other findings and views set forth in the Preliminary Findings. In particular, there was widespread agreement that competition and market forces are adequate to protect consumers following the exemption of kerojet fuel from regulation. Many commenters expressed the opinion that deregulation would enhance competition in all sectors of the kerojet fuel market.

Retailers indicated that there may be kerojet fuel price increases in certain regions by fixed base operators to reflect increased non-product costs. Refiners generally agreed with our projections in the Preliminary Findings that while regional price increases may occur as both refiner and retailer non-product cost increases are fully passed through on the volume of product on which they are incurred, these regional increases should be offset in part by reductions in other regions.

The airline industry and, in particular, the Air Transport Association, generally recommended the establishment of a mechanism, similar to the proposed Special Rule No. 4 for motor gasoline (See 42 FR 40915, August 12, 1977), to assure airlines a source of kerojet fuel supply during the transition period following deregulation. The airline industry also favored the establishment of a price monitoring system, without a pre-set index or "trigger," coupled with a formal procedure which would require the ERA to take action on an air carrier's complaint of discriminatory treatment with regard to pricing or supply of kerojet fuel. Other commenters were nearly unanimously opposed to both recommendations.

B. Advance Notice on Aviation Gasoline Deregulation. The ERA invited written comments on the advance notice concerning aviation gasoline deregulation through March 27, 1978 and held a public hearing in Washington, D.C. on March 22, 1978. Forty-six parties submitted oral and written comments in response to the February 17 advance notice. These offering comments included major integrated refining companies, large and small independent refining companies, retailers, trade associations represent-

ing consumers, and governmental representatives.

All of those commenting in response to the advance notice on aviation gasoline recommended that the ERA propose the exemption of aviation gasoline from the allocation and price regulations without an accompanying price monitoring or supply protection program. This recommendation was based generally upon agreement with our projections as to supply and demand, competition, and other findings and views set forth in the Preliminary Findings. As was the case with regard to kerojet fuels, there was agreement that competition and market forces are adequate to protect consumers following the exemption of aviation gasoline from regulation. Many commenters expressed the opinion that deregulation would enhance competition in the aviation gasoline market.

In general, retailers concurred with the Preliminary Findings that there will be only minor pressure to increase prices of aviation gasoline as a result of deregulation. Retailers indicated, however, that fixed base operators in certain regions may increase prices to reflect localized increased non-product costs. Refiners generally agreed with our projections in the Preliminary Findings that, while regional price increases may occur as both refiner and retailer non-product cost increases are fully passed through on the volume of product on which they are incurred, these regional increases should be offset in part by reductions in other regions.

C. FERC Comments Received on Kerojet Fuel and Aviation Gasoline Deregulation. The FERC invited written comments on the ERA's proposals to exempt kerojet fuel and aviation gasoline through August 11, 1978 and held a public hearing on aviation gasoline on August 1, 1978 and a public hearing on kerojet fuel on August 3, 1978. Four parties commented orally on the aviation gasoline proposal and seven parties so commented on the kerojet fuel proposal. The FERC also received fifty-one written comments. Those offering comments on the deregulation proposals included major integrated refining companies, large and small independent refining companies, retailers, trade associations, air carriers, and governmental representatives.

None of the oral or written comments to the FERC expressed opposition to the deregulation of either aviation gasoline or kerojet fuel. There were, however, some suggestions for modifications. A large majority of the written comments expressed support for the proposal without further elaboration. A few comments provided additional factual material or added analysis to supplement the ERA's Findings.

In its September 6 letter to the Secretary the FERC indicated that, after reviewing the comments, it found two areas of particular concern. The first reflected its apprehension over the possibility of spot shortages. This concern arose partially in response to the July 26, 1978 letter from the Energy Planning Division of the Montana Department of Natural Resources and Conservation to the FERC indicating potential difficulties new fixed base operators and small, established fixed base operators could have in providing supplies of aviation products for forest fire fighting and other emergency situations. The FERC's concern also related to the commercial airlines' recommendation that a mechanism be established to provide airlines adequate sources of supply of kerojet fuel during the transition period following deregulation. This concern is addressed more fully in the preamble to the aviation gasoline and kerojet fuel allocation exemption.

FERC's other concern related to the price monitoring program recommended by the airlines. In its September 6 letter the FERC concluded that in view of our announced intent generally to monitor aviation fuel prices, a binding recommendation in this

regard under Section 404 of the DOE Act was not necessary. The FERC did suggest, however, that the manner in which we intend to monitor prices be described at the time we announce the exemption and that such a program should not contain a "trigger."

After carefully considering all the comments, we have concluded that the initial view that kerojet fuel and aviation gasoline should be exempted from regulations is correct. No information or data were presented which meaningfully alter the ERA's conclusions in its Findings.

In response to the FERC's suggestion regarding the price monitoring system, we re-emphasize that we intend to analyze kerojet fuel and aviation gasoline prices after deregulation. As we have done with respect to previously deregulated products, we will continue to collect supply and price data pursuant to our general statutory authority to receive such information so as to enable us to detect any significant changes in market conditions which may develop following deregulation of kerojet fuel and aviation gasoline.

As part of its role in monitoring market price trends, the Energy Information Administration (EIA) of the DOE collects pricing data on kerojet fuel and aviation gasoline from refiners, large reseller, retailers, and gas plant operators. The EIA uses the data reported on FEA Form P302-M-1 calculate national weighted average wholesale and retail prices of kerojet fuel and aviation gasoline on a monthly basis. This information is made available to the public in two monthly publications prepared by the EIA, the "Monthly Energy Review" and the "Monthly Petroleum Product Price Report."

We also anticipate continued reliance in our monitoring activities on the Civil Aeronautics Board's monthly report "Fuel Cost and Consumption." This publication provides average prices per gallon for aviation fuels on a monthly basis. It also indicates the percentage price increase per gallon over the average price per gallon in the preceding month, the same month in the preceding year, and in July 1973. This data is provided separately for individual domestic and international trunk, local service, cargo, and supplemental carriers.

In view of the relatively small universe of suppliers and purchasers of kerojet fuel, we do not believe a price monitoring or survey system more detailed than that presently existing is necessary to detect significant changes in market conditions.

We have decided not to establish a formal procedure which would require the ERA to take action on an air carrier's complaint of discriminatory treatment with regard to pricing or supply of kerojet fuel. Our analysis indicates that when free market forces emerge following kerojet fuel and aviation gasoline deregulation, such problems will be minimized. We believe therefore that a formal complaint procedure is unnecessary, inasmuch as most airlines are capable of bringing to our attention instances of discriminatory treatment with respect to the pricing or supply of kerojet fuel. We encourage communication from any party which may experience difficulty in securing adequate supplies of either kerojet fuel or aviation gasoline following deregulation, inasmuch as such information will facilitate our analysis of the effects of deregulation on price trends and supply distribution.

While fixed base operators may increase prices for kerojet fuel and aviation gasoline in certain regions after deregulation to reflect increased non-product costs, these regional increases should be offset in part by reductions in other regions. We have concluded that during a period of adequate supplies which is expected at least through 1980, average prices for kerojet fuel and aviation gasoline will not rise to levels sig-

nificantly higher than if regulations were continued.

III. FINDINGS AND VIEWS

In addition to this amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Price Regulations and the concurrent amendment exempting kerojet fuel and aviation gasoline from the Mandatory Petroleum Allocation Regulations, we are issuing the Findings supporting these amendments, as required by section 12 of the EPAA. They are based upon our consideration of the comments of those persons who participated in the rulemaking proceedings and other available information.

Our general conclusions set forth in the Findings may be summarized, in part, as follows:

1. Kerojet fuel and aviation gasoline are not in short supply.
2. Exemption of kerojet fuel and aviation gasoline from the allocation and price regulations will not have adverse impact on the supply of any other oil or refined petroleum product to the EPAA.
3. Following exemption of kerojet fuel and aviation gasoline from regulations, competition and market forces should be adequate to protect consumers.
4. Exemption of kerojet fuel and aviation gasoline from regulation will not result in inequitable prices for any class of user of kerojet fuel, aviation gasoline, or other products.
5. The exemption of kerojet fuel and aviation gasoline will not have adverse impacts on any governmental unit, state or region.
6. As long as supplies remain adequate, exemption of kerojet fuel and aviation gasoline will not have an adverse effect on the availability of consumer goods and services; the Gross National Product (GNP); competition; small business; supply and availability of energy resources as fuel or feedstock for industry; consumer prices; the Consumer Price Index, or the implicit price deflator for the GNP; or the rate of unemployment.

We also believe that as long as supplies continue to be adequate, the continuation of allocation and price regulations on kerojet fuel and aviation gasoline is unnecessary to protect the public health, safety and welfare, and the national defense (section 4(b)(1)(A)); the maintenance of all public services (section 4(b)(1)(B)); the maintenance of agricultural operations (section 4(b)(1)(C)); or the maintenance of exploration for and production or extraction of fuels and minerals (section 4(b)(1)(G)). Adequate supply and the positive effects of increased competition should also ensure that the exemption of kerojet fuel and aviation gasoline would be consistent with the preservation of an economically sound and competitive petroleum industry (section 4(b)(1)(D)); the equitable distribution of crude oil, residual fuel oil and refined petroleum products at equitable prices (section 4(b)(1)(F)); economic efficiency (section 4(b)(1)(H)); and minimization of economic distortion, inflexibility, and interference with market mechanisms (section 4(b)(1)(I)). The exemption should have no adverse effect on the allocation of suitable crude oil to domestic refineries (section 4(b)(1)(E)).

IV. STANDBY AUTHORITY

Section 12(f) of the EPAA provides that following the exemption of any refined product category from regulation, the DOE shall have the authority at any time to reimpose price regulations if necessary to attain the objectives of the EPAA. For this reason, we are adopting amendments which exempt kerojet fuel and aviation gasoline from the general price regulations but which do not delete those regulations from the Code of Federal Regulations. We have, in effect, converted them to standby status, so that, in

the event of shortages or other occurrences which might require reimposition of regulations, we may, with appropriate modifications, quickly put them back into effect. In this connection, we have recently adopted additional standby production allocation and price regulations (44 FR 3928, January 18, 1979) that may be ordered into effect with respect to kerojet fuel and aviation gasoline.

(Emergency Petroleum Allocation Act of 1973, Public Law 93-159, as amended, Public Law 93-511, Public Law 94-99, Public Law 94-133, Public Law 94-163, and Public Law 94-385; Federal Energy Administration Act of 1974, Public Law 93-275, as amended, Public Law 94-332, Public Law 94-385, Public Law 95-70, and Public Law 95-91; Energy Policy and Conservation Act, Public Law 94-163, as amended, Public Law 94-385, and Public Law 95-70; Energy Conservation and Production Act, Public Law 94-385, as amended, Public Law 95-70, Public Law 95-91; Department of Energy Organization Act, Public Law 95-91; E.O. 11790, 39 FR 23185; E.O. 12009, 42 FR 46267.)

In consideration of the foregoing, Parts 210 and 212 of Chapter II, Title 10 of the Code of Federal Regulations, are amended as set forth below, effective on the first day following the expiration of the fifteen-day Congressional review period provided for by section 551 of the Energy Policy and Conservation Act.

Issued in Washington, D.C., January 31, 1979.

1. Section 210.35 is amended by revising subparagraph (g)(2) and by adding subparagraph (h)(2) to read as follows:

§ 210.35 Exempted products.

(g) * * *

(2) Aviation jet fuel as defined in § 212.31 of this chapter is exempt from the provisions of Part 212 of this chapter.

(h) * * *

(2) Aviation gasoline as defined in § 212.31 of this chapter is exempt from the provisions of Part 212 of this chapter.

2. Section 212.31 is amended in the definition of "covered products" to read as follows:

§ 212.31 Definitions.

"Covered products" means butane, crude oil, gasoline, natural gas liquids, natural gasoline, and propane. A blend of two or more particular covered products is considered to be that particular covered product constituting the major proportion of the blend. A blend of one or more covered products with one or more non-petroleum-based products is a covered product if the covered product or products constitutes more than 50 percent by volume of the blend, and is that covered product which is the most predominant by volume in the blend.

3. Section 212.56 is amended to read as follows:

§ 212.56 General refinery products.

(a) The following general refinery products are exempt from the provisions of this part: aviation gasoline, benzene, gas oil, greases, hexane, kerosene, lubricant base oil stocks, lubricants, naphthas, No. 1 heating oil, No. 1-D diesel fuel, residual fuel oil, special naphthas (solvents), toluene, unfinished oils, xylene, and other finished products.

(b) The following general refinery products are not exempt from the provisions of this part: butane, natural gas liquids, natural gasoline, and propane.

4. Part 212 is amended by adding a new § 212.58 as follows:

§ 212.58 Aviation jet fuel.

The sales of aviation jet fuel are exempt from the provisions of this part. ●

ADDITIONAL STATEMENTS

FINANCE COMMITTEE RULES

● Mr. LONG. Mr. President, the Legislative Reorganization Act requires each standing committee of the Senate to publish its rules in the CONGRESSIONAL RECORD at the beginning of each session of Congress. I submit for the RECORD the rules of the Committee on Finance.

COMMITTEE ON FINANCE

RULES OF PROCEDURE

(Adopted January 30, 1979)

Rule 1. *Regular Meeting Days.*—The regular meeting days of the committee shall be the second and fourth Tuesday of each month, except that if there be no business before the committee the regular meeting shall be omitted.

Rule 2. *Committee Meetings.*—(a) Except as provided by section 133(a) of the Legislative Reorganization Act of 1946 as amended by section 102(a) of the Legislative Reorganization Act of 1970 (relating to special meetings called by a majority of the committee) and subsection (b) of this rule, committee meetings, for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the chairman. Members will be notified of committee meetings at least 48 hours in advance, unless the chairman determines that an emergency situation requires a meeting on shorter notice. The notification will include a written agenda together with materials prepared by the staff relating to that agenda. After the agenda for a committee meeting is published and distributed, no nongermane items may be brought up during that meeting unless at least two-thirds of the members present agree to consider those items.

(b) In the absence of the chairman, meetings of the committee may be called by the ranking majority member of the committee who is present, provided authority to call meetings has been delegated to such member by the chairman.

Rule 3. *Presiding Officer.*—(a) The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member who is present at the meeting shall preside.

(b) Notwithstanding the rule prescribed by subsection (a) any member of the committee may preside over the conduct of a hearing.

Rule 4. *Quorums.*—(a) Except as provided in subsections (b) and (c) six members, including not less than one member of the majority party and one member of the minority party, shall constitute a quorum for the conduct of business.

(b) Notwithstanding the rule prescribed by subsection (a), one member shall constitute a quorum for the purpose of conducting a hearing.

(c) Once a quorum as prescribed by subsection (a) has been established for the conduct of business in executive session, the committee may continue to conduct business so long as five or more members are present.

Rule 5. *Reporting of Measures or Recommendations.*—No measure or recommendation shall be reported from the committee unless a majority of the committee is actually present and a majority of those present concur.

Rule 6. *Proxy Voting; Polling.*—(a) Except as provided by section 133(d) of the Legislative Reorganization Act of 1946 as amended by section 106(a) of the Legislative Reorganization Act of 1970 (relating to limitation on use of proxy voting to report a measure or matter), members who are un-

able to be present may have their vote recorded by proxy.

(b) At the discretion of the committee, members who are unable to be present and whose vote has not been cast by proxy may be polled for the purpose of recording their vote on any rollcall taken by the committee.

Rule 7. *Order of Motions.*—When several motions are before the committee dealing with related or overlapping matters, the chairman may specify the order in which the motions shall be voted upon.

Rule 8. *Bringing a Matter to a Vote.*—If the chairman determines that a motion or amendment has been adequately debated, he may call for a vote on such motion or amendment, and the vote shall then be taken, unless the committee votes to continue debate on such motion or amendment, as the case may be. The vote on a motion to continue debate on any motion or amendment shall be taken without debate.

Rule 9. *Public Announcement of Committee Votes.*—Pursuant to section 133(b) of the Legislative Reorganization Act of 1946 as amended by section 104(a) of the Legislative Reorganization Act of 1970 (relating to public announcement of votes), the results of rollcall votes taken by the committee on any measure (or amendment thereto) or matter shall be announced publicly not later than the day on which such measure or matter is ordered reported from the committee.

Rule 10. *Subpoenas.*—Subpoenas for attendance of witnesses and the production of memoranda, documents, and records shall be issued by the chairman, or by any other member of the committee designated by him.

Rule 11. *Open Committee Hearings.*—To the extent required by section 133A of the Legislative Reorganization Act of 1946 as amended by section 112(a) of the Legislative Reorganization Act of 1970 (relating to limitations on open hearings), each hearing conducted by the committee shall be open to the public.

Rule 12. *Announcement of Hearings.*—The committee shall undertake consistent with the provisions of section 133A of the Legislative Reorganization Act of 1946 as added by section 111(a) of the Legislative Reorganization Act of 1970 (relating to public notice of committee hearings) to issue public announcements of hearings it intends to hold at least one week prior to the commencement of such hearings.

Rule 13. *Witnesses at Hearings.*—(a) Each witness who is scheduled to testify at any hearing must submit his written testimony to the staff director not later than noon of the last business day preceding the day on which he is scheduled to appear. Such written testimony shall be accompanied by a brief summary of the principal points covered in the written testimony. Having submitted his written testimony, the witness shall be allowed not more than ten minutes for oral presentation of his statement.

(b) Witnesses may not read their entire written testimony, but must confine their oral presentation to a summarization of their arguments.

(c) Witnesses shall observe proper standards of dignity, decorum and propriety while presenting their views to the committee. Any witness who violates this rule shall be dismissed, and his testimony (both oral and written) shall not appear in the record of the hearings.

(d) In scheduling witnesses for hearings, the staff shall attempt to schedule witnesses so as to attain a balance of views early in the hearings. Every member of the committee may designate witnesses who will appear before the committee to testify. To the extent that a witness designated by a member cannot be scheduled to testify during the time set aside for the hearing, a special

time will be set aside for that witness to testify if the member designating that witness is available at that time to chair the hearing.

Rule 14. *Audiences.*—Persons admitted into the audience for open hearings of the committee shall conduct themselves with the dignity, decorum, courtesy and propriety traditionally observed by the Senate. Demonstrations of approval or disapproval of any statement or act by any member or witness are not allowed. Persons creating confusion or distractions or otherwise disrupting the orderly proceeding of the hearing shall be expelled from the hearing.

Rule 15. *Broadcasting of Hearings.*—(a) Broadcasting of open hearings by television or radio coverage shall be allowed upon approval by the chairman of a request filed with the staff director not later than noon of the day before the day on which such coverage is desired.

(b) If such approval is granted, broadcasting coverage of the hearing shall be conducted unobtrusively and in accordance with the standards of dignity, propriety, courtesy and decorum traditionally observed by the Senate.

(c) Equipment necessary for coverage by television and radio media shall not be installed in, or removed from, the hearing room while the committee is in session.

(d) Additional lighting may be installed in the hearing room by the media in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(e) The additional lighting authorized by subsection (d) of this rule shall not be directed into the eyes of any members of the committee or of any witness, and at the request of any such member or witness, offending lighting shall be extinguished.

(f) No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be subjected to radio or television coverage, all equipment used for coverage shall be turned off.

Rule 16. *Subcommittee.*—(a) The chairman, subject to the approval of the committee, shall appoint legislative subcommittees. All legislation shall be kept on the full committee calendar unless a majority of the members present and voting agree to refer specific legislation to an appropriate subcommittee.

(b) The chairman may limit the period during which House-passed legislation referred to a subcommittee under paragraph (a) will remain in that subcommittee. At the end of that period, the legislation will be restored to the full committee calendar. The period referred to in the preceding sentences should be 6 weeks, but may be extended in the event that adjournment or a long recess is imminent.

(c) All decisions of the chairman are subject to approval or modification by a majority vote of the committee.

(d) The full committee may at any time by majority vote of those members present discharge a subcommittee from further consideration of a specific piece of legislation.

(e) Because the Senate is constitutionally prohibited from passing revenue legislation originating in the Senate, subcommittees may mark up legislation originating in the Senate and referred to them under Rule 16 (a) to develop specific proposals for full committee consideration but may not report such legislation to the full committee. The preceding sentence does not apply to nonrevenue legislation originating in the Senate.

(f) The chairman and ranking minority member shall serve as nonvoting *ex officio*

members of the subcommittees on which they do not serve as voting members.

(g) Any member of the committee may attend hearings held by any subcommittee and question witnesses testifying before that subcommittee.

(h) Subcommittee meeting times shall be coordinated by the staff director to insure that—

(1) no subcommittee meeting will be held when the committee is in executive session, except by unanimous consent;

(2) no more than one subcommittee will meet when the full committee is holding hearings; and

(3) not more than two subcommittees will meet at the same time.

Notwithstanding paragraphs (2) and (3), a subcommittee may meet when the full committee is holding hearings and two subcommittees may meet at the same time only upon the approval of the chairman and the ranking minority member of the committee and subcommittees involved.

(i) All nominations shall be considered by the full committee.

(j) The chairman will attempt to schedule reasonably frequent meetings of the full committee to permit consideration of legislation reported favorably to the committee by the subcommittees.

Rule 17. Amendment of Rules.—The foregoing rules may be added to, modified, amended or suspended at any time.●

TAX INDEXING

● Mr. LUGAR, Mr. President, the prime beneficiary of inflation is the Federal Government. Inflation causes wages to increase without a corresponding increase in real income. This situation results in American workers being pushed into higher tax brackets. The Government receives a windfall profit in new tax revenues because the taxpayer is paying a larger tax bill. The effect of tax inflation is to reduce the real standard of living for the taxpayer even though he earns more income.

The answer to these unlegislated tax increases is for Congress to adopt a plan of tax indexing. As a cosponsor of S. 12, the Tax Equalization Act, I believe that tax indexing is an idea whose time has come.

A recent article in the Christian Science Monitor, authored by the senior Senator from Kansas (Mr. DOLE), explains the need for tax indexing.

I ask that the article be printed in the RECORD.

The article follows:

HOW TO RELIEVE THE AMERICAN TAXPAYER (By Bob Dole)

More than 80 percent of America's taxpayers can expect a tax increase next year. The increase, which amounts to nearly \$9 billion, comes on the heels of a congressional effort to decrease taxes. Although Congress in October passed a major tax reduction bill in hopes that it would pacify taxpayers crying out for lower taxes, the fact is that the Revenue Act of 1978 is nothing more than the repeal of the automatic tax increases caused by inflation. Inflation and the increased taxes that it generates will lead to a decline in the standard of living for most families this year.

There is considerable interest and momentum in Congress for tax indexing as a way to stem these rising taxes. Under our progressive tax system, a person who receives an increase in income to compensate for inflation may suffer a decline in his real stand-

ard of living because a greater percentage of his income is paid in taxes. This is because as income rises, a person is pushed into a higher and higher tax bracket.

For example, a typical family of four earning \$15,000 paid \$1,385 in income taxes in 1977, or 9.2 percent of their income. Assuming a modest 7 percent inflation rate in 1978 and wage increases to keep up with inflation, the family would earn \$16,050 in 1978. But the family now pays \$1,613 in taxes in 1978, or an effective rate of 10 percent.

The way to stop these unlegislated increases is by indexing the tax system. Indexing is a simple concept. As inflation increases, the tax system is adjusted to prevent individuals from being pushed into higher brackets. For example, under an indexed system, if the inflation rate for 1979 were 7 percent, the personal exemption would increase from \$1,000 to \$1,070.

By automatically adjusting the personal income tax rates, the personal exemption and the zero bracket amount (formerly the standard deduction) upward in proportion to increases in the cost of living, we can effectively eliminate tax increases caused by inflation. Indexing is designed to keep the taxpayer at the rate originally legislated. Thus, in our example, the family will have nearly \$200 under indexing.

The government has a vested interest in inflation. For each percentage increase in the inflation rate, the federal government can expect an additional \$1.5 billion in new tax revenues. This yearly windfall bonus allows Congress to continually expand the role of government without having explicitly to increase taxes to finance the programs it generates. Tax indexing, by depriving Congress of inflation-induced revenues, will encourage fiscal restraint and decrease the size of government.

Opponents of tax indexing state that such adjustments would be conceding defeat in our battle against inflation. This is nonsense. Indexing, by itself, will neither cause nor cure inflation. In fact, it may help to reduce the major impediment to our ability to control inflation—excessive federal spending.

It is true that Congress from time to time reduces taxes to compensate for inflation. However, these are often no more than a redistribution of the tax burden. The American people seem to agree that indexing is a better way to reduce taxes. A recent Roper poll released to the Senate Finance Committee showed that by a fairly wide margin—57 percent to 32 percent—the public prefers indexing to the periodic tax cuts the government enacts. Several states, including California and Colorado, have already initiated indexing in their state tax systems.

Recent efforts in Congress indicate that before long indexing will become a reality. Last session, the House of Representatives passed a bill to prevent the federal government from taxing inflation on capital gains. Although this bill was not enacted into law, it was a significant step for indexing and an indication of things to come. Also last session, I introduced a bill to index personal tax rates which received bipartisan support. My proposal did not pass the Senate, but it did garner more votes than the widely publicized 33 percent across-the-board tax cut.

The administration and congressional free-spenders cannot ignore the compelling arguments for indexing much longer. The American taxpayer is beginning to understand that inflation is the reason his taxes are increasing and that the federal government is the prime beneficiary. The congressional ritual of cutting taxes in election years is nothing more than a cruel charade.

Indexing is a logical and responsible way to end the automatic and unsigned tax increases caused by inflation. Look for tax indexing to be the focal point of discussion as

Congress again tackles the elusive issue of tax relief for the American people.●

OILSPILL LIABILITY FUND

● Mr. MUSKIE, Mr. President, last year, both the House and Senate passed legislation which would establish a comprehensive oil pollution liability and compensation fund. However, it was not possible to reach agreement on the two very different pieces of legislation before the Congress adjourned last October. One should not make the mistake of assuming that additional time was all that was necessary to reach agreement. There were many significant policy questions at stake in those negotiations which represented differences of opinion on the very basic nature of such a proposed scheme. Those differences have not changed.

Several bills have been introduced again this year. In order to provide some perspective on my feelings on any comprehensive oil pollution liability and compensation proposal, I would like to have my remarks reprinted from last October when negotiations on this same matter failed. There may have been many who had no opportunity to review that statement because of the rush of activity in the last days of the session.

The remarks follow:

HOUSE REJECTS SENATE OFFER ON OIL SPILL LIABILITY FUND

Mr. MUSKIE, Mr. President, the Senate has made significant efforts this year to enact an oil spill liability bill which would create a fund to pay cleanup and damage claims for the spill of oil and hazardous substances into the navigable waters of the United States. On Thursday, October 5, the Senate passed H.R. 6803. We then immediately made our staff available to begin work with the House staff to draft compromise amendments which would be added to this legislation and sent back to the Senate. With so many conferences and so much floor activity, this seemed the most sensible approach.

The Senate staff was available to begin meeting early Friday morning, but the House staff was not available until late Monday afternoon. That delay has made it difficult to negotiate an agreeable compromise, but nevertheless, the Senate has made a strong effort to provide significant concessions on the key issues that separate the House and Senate.

The staff was instructed to try all reasonable avenues to reach a compromise. If those suggestions were acceptable to the House staff, then they were to bring the proposals back to the Senate Members to see if they were acceptable.

What are the three major issues that separate the House and Senate bills? The House has indicated they are hazardous substances, preemption of State laws, and liability coverage for inland oil barges. There are dozens of other differences, but these have been identified as key issues.

In order to accommodate the House position, the Senate staff suggested major concessions to the House:

First. Hazardous substances. The Senate staff has suggested dropping completely the hazardous substances provision. This is a tremendous concession on the part of the Senate. The House staff on numerous occasions urged elimination of this provision. In a sense this is the heart of the Senate bill. The staff offered to attempt to convince the Senate Members that such a compromise was necessary.

Second. Preemption of State laws. The Senate-passed bill has absolutely no pre-

emption of State laws, whatsoever. States are allowed to maintain their own cleanup funds and to charge a fee on oil and/or hazardous substances to establish such funds. States are allowed to create funds to compensate economic damages and natural resource damages. States are allowed to establish liability schemes and other requirements as they see fit.

The Senate staff has suggested going halfway on this key issue and has proposed preempting State funds to compensate economic and third party damages. This would allow States to maintain their own fund to pay cleanup costs of spills and to establish their own liability schemes. I want to emphasize that existing law contains no restraint on the authority of States. What has been suggested by the Senate staff as a compromise is an erosion of existing State authority. This is a questionable compromise in my view, but one proposed by the staff in an attempt to accommodate the demands of the House. Apparently it is not enough.

Third, inland oil barges. The Senate staff has suggested a compromise that splits the difference between the House and the Senate bills. The Senate bill establishes liability on inland oil barges at \$300 per gross ton or \$500,000 per vessel, whichever is greater. The House bill is \$150 per gross ton and \$150,000 minimum. The Senate staff has suggested as a compromise \$225 per gross ton and \$325,000 maximum. That is an absolute 50-50 compromise.

Yet the response from the House staff has been that this provision is so important to them that the Senate must take the House provision completely. The Senate staff accompanied its suggestion with a willingness to discuss other levels as well, but the answer was that only one offer is acceptable, and that is the House bill.

So where do we stand on these three key provisions? On two provisions the Senate staff has suggested a compromise that goes at least halfway to the House position. On the third item, hazardous substances, the Senate staff has suggested going all the way to the House position. So the House would come out well ahead on the key items on what were identified by the House staff as the key obstacles to getting a bill.

The Senate staff made these suggestions Wednesday afternoon, and agreed to consider additional changes in the Senate bill if the House felt that was necessary. Instead, the proposal was rejected. In essence the House has said this:

You must drop hazardous substances even though they threaten the public and the environment;

You must be willing to take away the existing power of States to establish their own liability laws, cleanup funds, and third-party damage compensation funds; and

You must be willing to give the inland oil barge industry exactly what they have demanded.

The Senate staff suggestions may have gone further in compromising than the Senate Members would be willing to accept. But that proposition was not even tested, because the proposal was not viewed by the House staff as going far enough.

Let me match the suggestions of the Senate staff against the suggestions of the House staff. What has the House offered in these discussions?

From the very beginning, there was no doubt about the fact that the House staff would insist on the format of their bill—a text reviewed by the Senate committee and reflected in favor of a bill building upon the Clean Water Act which currently deals with spills of oil and hazardous substances. The Senate Environment and Public Works Committee felt that any effort to create a new legislative authority to deal with the additional problems associated with spills of oil and hazardous substances; name-

ly, economic damages, should be part of the existing law which has been in place for years. Yet the House staff refused to consider the merits of using the Senate format and insisted on using their arrangement which creates an entirely new legal regime outside the statute which already governs many aspects of this issue.

The Senate staff met with intransigence on another issue of significant importance to the Senate—the question of coverage of hazardous substances. The suggestions from the House staff was agreement to conduct a study of the issue.

As I noted, an area of great significance to the Senate is the issue of preemption of State liability statutes. The House staff refused to negotiate with any particularity on this matter. They only agreed to talk about preemption after every other decision was made. When pressed, they admitted to be willing to accept very little in the preemption field.

Let me give you an example of what the House position on preemption means. The State of Washington had a law on the books which imposes strict liability upon a spiller of oil to pay for all cleanup expenses and damages resulting from that spill. The defenses to that liability are act of war or sabotage or negligence on the part of the United States or State of Washington. There are no other defenses to liability.

If the House preemption provision were to prevail, then the Washington law would be effectively repealed. The provisions of the House liability scheme, which include limits of liability for the spiller and greater opportunity for defenses to liability would supersede the policy that State has already fashioned for itself.

Obviously, the State of Washington in its wisdom has determined that strict and unlimited liability is a necessary protection from the dangers of oil spills. There are two factors at work in such a policy—the guarantee of total compensation to all damaged parties and the incentive created by such a policy on the carrier of the oil to safer handling.

It was this latter purpose which the Senate especially wished to preserve.

In many other areas of importance to the Senate—damage assessment, defenses to liability, uses of the fund, levels of liability, financial responsibility, and definition of operative terms, the House staff suggestions offered little or no movement.

Mr. President, what has been suggested by the staff was only lipservice to the Senate concerns:

No effort was made to accommodate the Senate concern over the issue of hazardous substances.

No effort was made to accommodate the Senate concern over the preservation of State's rights.

No effort was made to accommodate the Senate concern over the use of a legal framework which has been in place for years.

And these are only the major issues. And the Senate saw nothing from the House staff on the many lesser issues important to a final bill.

The House insisted on their bill, start to finish, take it or leave it.

The House has sent a bill back to the Senate. It is unacceptable for many reasons. I have already outlined the major reasons for our rejection of this bill; I would like now to discuss some of the less obvious but equally important problems with the House passed bill.

First, the structure of the House bill is designed so as to repeal section 311 of the Clean Water Act as it relates to spills of oil. And it replaces that program, which has been in effect for almost 9 years, with a completely new framework which in many respects is far less protective than what current law provides.

I would like to print at this point in the RECORD an analysis made at my request by EPA of the impact of the House-passed bill on the current section 311 program.

The analysis follows:

WASHINGTON, D.C.,
October 13, 1978.

HON. EDMUND S. MUSKIE,
Chairman, Subcommittee on Environmental Pollution, Committee on Environment and Public Works, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed is the technical review you requested on the impact of the House-passed Superfund bill, H.R. 6803, on the provisions of existing law, specifically the Clean Water Act.

This effort was necessarily hurried but it represents our best judgment on these complicated issues.

Sincerely yours,

THOMAS C. JORLING,
Assistant Administrator.

ANALYSIS

Factual review of the implications of the House-passed Superfund Bill on existing law, Clean Water Act, section 311, as it relates to the discharge of oil and hazardous substances.

(1) The Clean Water Act [Section 502(7)] defines navigable waters to be "waters of the United States, including the territorial seas." This is an all inclusive term and is the broadest reach of jurisdiction possible. The House-passed Superfund bill defines the waters narrowly—in the words of its report "Intentionally more restrictive than the meaning ascribed to navigable waters in some other Acts." If the House-passed Superfund bill became law, the result of these two different definitions would be twofold:

(A) overlapping jurisdiction in some waters between 311 and Superfund; and (B) exclusive 311 jurisdiction in other waters. This division and overlap would serve no public policy objective and would cause considerable confusion to onscene coordinators, dischargers, and to the public. It would result in considerable litigation and inefficiency.

(2) The House-passed Superfund bill amends section 311 to exclude "petroleum oil". Thus, in those portions of the waters of the United States which are not covered by the restricted definition of navigable waters under the House-passed Superfund bill, there would be no oil response and liability program under existing law. In effect, it would constitute a repeal of section 311 with respect to those waters.

(3) Both the Clean Water Act and the Superfund bill create duties and liabilities regarding the discharge of oil into waters of the territorial sea, the Contiguous Zone and the High Seas. With respect to discharges into the territorial sea and the Contiguous Zone, the provisions are the same, however, with respect to discharges of waters beyond the Contiguous Zone, the existing law, Section 311(b)(3), provides for the threshold (i.e., the discharge which requires notice and establishes the potential for liability) to be those discharges "which may affect natural resources belonging to or pertaining to . . .", whereas the House passed bill would amend that provision and uses the words "causing injury to or loss of natural resources belonging to or pertaining to . . .". The effect of this change would seriously weaken the environmental protection objectives as it would require a determination to be made, generally by the discharger, of actual injury or loss as opposed to potential injury or loss. The effect of this would be (1) to increase litigation, and (2) to create an incentive on the part of the discharging source not to notify and trigger the sequence of liability because, it is always possible to allege no actual injury or loss to natural

resources occurred, and shift the burden to the government and to the environment. It could negate the environmental objectives of the statute. This is especially acute in the deep ocean waters where the ability to prove immediate actual harm is always difficult, if not impossible.

(4) The House-passed bill changes the definition of oil from that which appears in the Clean Water Act. The change in this definition of oil would create tremendous uncertainty and confusion with respect to those portions of waters where both the existing Clean Water Act and Superfund Law would apply. There seems to be no public policy served by that difference.

(5) The House-passed bill includes removal costs under section 311 as eligible costs under the Superfund for subsections (c), (d), and (l) of section 311. It omits subsection (f) (4) of section 311 which was added in the 1977 amendments to allow costs to restore and replace natural resources damaged as a result of a spill.

(6) The House-passed bill changes the section 311 defenses to liability available to discharging sources. Section 311 provides that the defenses are available where the spill was "solely" caused by an act of God, act of war, or act of a third party. The House-passed bill uses the word "primarily", thus introducing the concept of contributory and comparative negligence which could have the effect of increasing markedly the amount of litigation. It will certainly reduce the amount of recovery by the government as the clarity of "solely" is negated.

(7) The House-passed bill repeals subsection (p) of section 311 which requires financial responsibility. This provision in existing law applies to all forms of oil (beyond those of the House-passed Superfund) and to hazardous pollutants. The effect of this repeal is to eliminate from existing law financial responsibility requirements for those pollutants.

(8) The Clean Water Act does not preempt State liability laws for oil or hazardous substances. There are many States with such laws, for instance, Washington, California, Texas, Georgia, and Maine. Many make no distinction between oil and hazardous pollutants. The House bill preempts at least some elements of those laws. Under the House bill there will be uncertainty with respect to the preemption of oil and not hazardous pollutants, especially within States that have coverage over both oil and hazardous pollutants in the same law, such as Florida and Texas.

(9) The Administration has strongly supported including a limitation on all penalty provisions applicable outside U.S. waters to protect foreign vessels and thereby achieve consistency with International Law and U.S. Foreign Policy. The House Bill does not include those provisions.

Mr. MUSKIE. Mr. President, these are significant issues on which the Senate Environment and Public Works Committee was not willing to recede.

Further, the House bill does not include any substantive provision on damage assessment. This provision is an essential ingredient to a workable liability and compensation program.

The House bill regards the fund as an insurance policy for the spiller. The fund can deny liability for any claim, thereby throwing the whole issue into adjudication. The Senate bill, on the other hand, makes the fund available immediately for compensation purposes and allows it to recover through subrogation. The emphasis in the House bill is on protection of the spiller; the Senate bill is designed instead to protect the damaged party.

As can be seen from this bill, the House has insisted totally on their format; their staff have made no effort to reach a compromise on the major issues of importance

to the Senate. They have offered studies for substance—technical changes in exchange for good public policy.

Mr. President, I can hardly call this an exercise in compromise. After reviewing the suggested concessions on the part of the Senate staff and the intransigence on the part of the House staff, I can only assume that the House is simply not interested in pursuing a legislative solution to this problem this year. And may I add that it was at the urging of the chairman of the House Merchant Marine Committee, the chairman of the Coast Guard Subcommittee, and their ranking minority members (Mr. MURPHY, Mr. BIAGGI, Mr. RUPPE, and Mr. TREEN) that caused this bill to move out of the Environment and Public Works Committee. Their letter indicated a willingness to discuss the issues we have outlined. It was in anticipation of such good faith negotiations that the Senate proceeded with its bill. I would like to share with you the contents of that letter, and I ask that it be inserted at this point in the RECORD.

The letter follows:

WASHINGTON, D.C.,
August 2, 1978.

HON. EDMUND S. MUSKIE,
Chairman, Subcommittee on Environmental Pollution, Committee on Environment and Public Works, Dirksen New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN. We would like to take this opportunity to call your attention to a matter which, in our opinion, is one of extreme importance, the issue of oil pollution liability and compensation legislation.

As you are aware, the Committee on Merchant Marine and Fisheries, in the First Session of the present Congress, completed action on, and reported, H.R. 6803. That bill, which provided for a comprehensive system of oil pollution liability and compensation, was passed by the House on September 12, 1977, by a vote of 332 to 59 and was subsequently referred to the Senate. It is, of course, now pending before your Subcommittee.

Since the referral of H.R. 6803, your Subcommittee has been considering S. 2900, a bill introduced by you on the same general subject. The primary difference, as we understand it, between the two bills, is the fact that your proposal includes provisions relating to hazardous substances, as well as to oil. What prompts our present concern are recent reports that the difficulty in addressing the problem of hazardous substances has led to the possibility that action on the legislation may be postponed until the next Congress.

We sincerely hope that the reports are not correct. We recognize the problems inherent in melding hazardous substance legislation with that involving oil alone, and it was because of those difficulties that our Committee decided last year that it would be much easier to treat the two subjects separately. It may well be that there is some reasonable method by which they can be joined together, but, in any case, we strongly urge you to see that the oil pollution legislation moves forward, whether with or without comparable provisions for hazardous substances.

You will recall that after the several pollution casualties in the Winter of 1976-77 many Members of both Houses, as well as the general public, urged prompt action for legislation to resolve the several issues involved including liability and compensation for damages. We do not believe that the public will understand further delay, particularly should the U.S. be unfortunate enough to suffer another Argo Merchant disaster or one similar to the casualty involving the Amoco Cadiz. A recent similar, though small, reminder occurred only this week, with the grounding of the dredge barge Pennsylvania

in Rockaway Inlet, New York, with a resulting spill of diesel and fuel oil.

We have been and continue to be of the opinion that H.R. 6803, in some acceptable form, should be enacted during the present Congress. The bill is a culmination of extensive work begun in earlier Congresses, and, in its final version, it has received widespread support from a broad range of interested individuals and groups, including the Administration, maritime management and labor, oil interests, environmental groups, state governments, and the general public.

Certainly, we can assure you that we have no desire to attempt in any way to intervene in your Subcommittee deliberations. However, we urge you to see that some legislation is moved forward. Should you decide that hazardous substances should be a part of that legislation, we stand ready to consider that inclusion in a forthcoming conference. If, on the other hand, the present difficulties surrounding hazardous substance regulations and their proper handling should make present legislation on the subject impossible, we urge you then to move the oil pollution bill forward so that that important subject may be resolved prior to the end of the present Congress. In that case, we can promise you our wholehearted cooperation in addressing hazardous substance legislation at the earliest possible opportunity during the course of the next Congress.

With highest personal regards, we are,

Sincerely,

JOHN M. MURPHY,
Chairman, Merchant Marine and Fisheries Committee.

MARIO BIAGGI,
Chairman, Subcommittee on Coast Guard and Navigation.

PHILIP E. RUPPE,
Ranking Minority Member, Merchant Marine and Fisheries Committee.

DAVID C. TREEN,
Ranking Minority Member, Subcommittee on Coast Guard and Navigation.

Mr. MUSKIE. Mr. President, some have argued that superfund legislation must be enacted in this Congress no matter how poorly drafted or ill-conceived that legislation may be. I reject that argument. It is not as if our shores will be awash with oil with no authority to act against a major spill.

Existing law is adequate to provide protection against all but the most catastrophic of spills. And existing law creates fewer litigable issues than would be created by the House-passed bill.

I ask to print in the RECORD at this point a memorandum summarizing the Federal statutes which are currently extant covering liability for both cleanup and damages resulting from spills of oil.

The memorandum follows:

MEMORANDUM

WASHINGTON, D.C.,
October 12, 1978.

To Senator Edmund S. Muskie.
From Sally Walker and Karl Braithwaite.
Subject: Update of July 17 Memo on Discussion of the Need for S. 2900.

There are several questions which should be raised about proceeding with further action on Superfund.

1. Is the coverage provided in the Superfund really necessary?

There are currently in existence several statutes covering liability for both clean-up and damages resulting from spills of oil. They are:

The Clean Water Act. This law establishes liability out to 200 miles for clean-up of spills of oil and hazardous substances and also establishes liability for damages to natural resources caused by spills of oil and hazardous substances out to 200 miles. A \$35 million appropriated fund covers claims be-

yond the limits of liability. Vessels are liable up to \$150 per gross ton with a minimum of \$250,000; inland oil barges are liable up to \$125 per gross ton with a minimum of \$125,000; facilities are liable up to a \$50 million (\$8 million) may be lowered by President to maximum of \$4 million).

The Trans-Alaska Pipeline Act. This law establishes liability for clean-up and damages resulting from spills of Alaskan oil. A \$100 million fund covers claims beyond the limits of liability. Vessels are liable up to \$14 million for proven claims.

The Deepwater Ports Act. This law establishes liability for clean-up and damages from spills of oil around deepwater ports. A \$100 million fund covers claims beyond the limits of liability. Vessels are liable up to \$150 per gross ton with a ceiling of \$20 million; facilities are liable up to \$50 million.

The Outer Continental Shelf Lands Act. This law establishes liability for clean-up and damages for spills of oil from OCS rigs and vessels carrying OCS oil. Vessels are liable up to \$300 per gross ton with a minimum of \$250,000; facilities have unlimited liability for clean-up and are liable up to \$35 million for damages.

Mr. MUSKIE. Mr. President, I have expressed many times my feelings that a superfund bill is appropriate only under certain conditions. Without these conditions, which were clearly and simply expressed to the House, my support for a superfund bill ceases to exist. Without such protections, I feel confident that existing Federal and State law is adequate, albeit inconsistent in spots, to address the current situation. I expressed my reservations with this legislation in a letter to former Massachusetts Gov. Frank Sargent and ask that the extent of that letter be printed in the Record at this point.

The letter follows:

WASHINGTON, D.C.,
August 17, 1979.

Mr. FRANCIS SARGENT,
Boston, Mass.

DEAR FRANK: In your recent "open letter" to me, you asked me to say "It isn't so," that it is not me blocking passage of an oil spill liability bill which you treat as if it were being carried from the mountain by Moses. Parts of the oil pollution liability bill passed by the House came from the pits, not the heights. Before you cast me as the snarling villain who stabbed the bill in the back, please consider the following points:

(1) The oil pollution liability legislation is not dead. My Subcommittee on Environmental Pollution acted a month ago to approve an alternative to the House-passed version which struck you as so valuable. I think my approach is a good one. My opinion of the House version will become clear later on.

The key purpose of the legislation is to set up a revolving fund called the "superfund." I think it is called superfund because it represents a "super" deal for the oil companies. It is a government-sponsored and government-administered insurance policy for the major oil companies. It has a laudable purpose—one I fully support. That is to protect the average fisherman, motel owner or coastal businessman from financial disaster in the event of a catastrophic oil spill along the American coast. Not a word in the legislation is designed to stop the spill. But if one happened, the superfund would help ease the pain by making cash available.

The lack of a superfund has had an interesting side effect. The oil companies and their allies are afraid of bringing supertankers to the American coast without this sort of insurance policy. So the insurance policy will be an incentive to increase the size of tankers off our shores and in our ports.

(2) There are some fine state laws governing oil production liability in state coastal

waters. Do we really want to tell Maine, Massachusetts and the other coastal states that they can no longer make their own decisions on how best to protect their coastal resource, especially if the threat to their shores increases with the use of supertankers? I think not. In the first place, I am suspicious of any call for state preemption, because if past history is any guide, it is the polluters who have the most to gain.

It works this way: a polluter will fight tooth and nail against federal legislation, preferring to fight environmental legislation in the state legislatures. But if enough states adopt environmental legislation on their own, the polluter comes to Congress eager to enact a "comprehensive" federal approach. The aim is to dilute the federal legislation and wipe out the state laws all at once. Coastal states are in a minority in the Senate, which improves the chances that federal legislation would be more lenient than state law. I do not buy that approach.

Maine is second to none in the value we place on our coastal resources. You can judge for yourself how Massachusetts feels about its coast. I will not be a party to telling those states and others that protecting their coastline is not only none of their business, but they are forbidden to act on their own.

Massachusetts has liability laws tougher than those under consideration in the Congress. And state officials testified this summer that the state wants to keep its right to act.

(3) Just about the only people interested in the super fund bill are the members of the House who worked on it, and the oil companies and their maritime allies. That would make me suspicious all by itself. But looking at the House-passed bill, I find some reasons why the oil companies want it so badly:

It would encourage the use of super tankers off American coasts.

It would actually provide less comprehensive liability for oil spills than we now have under current law.

It would also increase the number of arguments an oil carrier could use to escape liability in a court of law.

It would allow the dollar amount of liability for some facilities to be lowered administratively.

The House bill ignores the question of other hazardous materials transported on the oceans, even though the potential for environmental damage is infinitely greater from these poisons.

In a lot of ways, we are better protected under current law than we would be under this new "comprehensive" approach.

The more closely I examined the House-passed bill, the more clearly I understood why the real pressure for passage has come from the oil companies and their allies.

(4) I can also understand why the oil companies have promised to kill the oil pollution liability bill which my Subcommittee passed a month ago. The oil company lobbyists were not even polite about it. They were not threatening. They were promising to kill my legislation if it allowed states to keep their own guard up against an oil catastrophe. I hope they are not so powerful as to deliver on that promise.

For my part, I hope we can get the kind of support behind my bill that the oil companies have generated for their version. I doubt it. But we have passed sound environmental legislation in the face of powerful opposition before. If I have to stand alone, I will. But I hope you will help me by pushing for S. 2900.

And if you are looking for a villain, don't look at me, Frank. It isn't so.

Sincerely,

EDMUND S. MUSKIE.●

A TRIBUTE TO MRS. WILLIAM SAMUEL WRIGHT

● Mr. STEWART. Mr. President, on December 11, 1978, in the Town of Wedowee, Randolph County, Ala., near the foothills of the great American Appalachian Mountains, a lady admired by generations passed away. The loss of Mrs. William Samuel Wright, a member of Wedowee's prominent founding families, will be the entire Nation's.

Born November 13, 1887, of an illustrious Alabama family with rich heritage, Mrs. Wright's ancestors served admirably with Gen. George Washington in the winter snows of Valley Forge, Pa., and hardest battles of the American Revolution. Her earlier ancestors fought and forged a new nation from a wilderness at Jamestown, Va. Her late ancestors fought gallantly with the army of northern Virginia under Gen. Stonewall Jackson and Gen. Robert E. Lee during the American Civil War.

Perhaps Mr. President, the greatest battles of life are not fought before the fire of cannon and muskets but in the hearts of mothers of men and women. If so, Mrs. Wright was a great and triumphant warrior.

During her remarkable lifetime she laid many cornerstones which will always endure.

The first cornerstone and great love of Mrs. Wright was her family. To her family and place were always linked together. Family, Wedowee, and home were the same. She lived nearly all her days in the Wright homeplace built by her husband nearly a century ago. A mother of 5 children, grandmother of 10, and great grandmother of 7, she was devoted to her family. Her spirit continues to burn brightly in the Wright homeplace and indelibly etched a shrine our Nation can take pride in. For without the maintenance of the family America's future is in severe jeopardy.

Another cornerstone she laid was her devotion to church. An active lifelong member of the Wedowee Baptist Church, her family helped build the First Baptist Church in Wedowee. She conducted many of its services, taught Sunday school classes, sang in the choir and was one of its most revered members. In her high honor, the church recently named a class for her. As the Psalmist said her life was like a mighty tree planted by the river of water, that bringeth forth her fruit in season; her leaf shall never wither and whatsoever she doeth shall prosper. All that knew Mrs. Wright knew what a mighty tree she was covering so many with her great love and devotion. As she grew in years, unlike so many, God gave her renewed strength and she applied it generously for others.

But her devotion was not confined to her family or church, for she was loved by the entire Wedowee community and her warm kindness touched so many. Still another cornerstone was citizenship. Mother of five children who served their State and Nation with distinction as admired schoolteachers and leaders—all followed her rich example of service to community and Nation. One of her daughters, Mrs. Velma Wright Irons es-

tablished the first class for visually handicapped children in the public schools of Alabama and received Freedom Foundation's highest award for a classroom teacher at Valley Forge, Pa. Each of her children have served their respective communities with untiring devotion and multiplied her influence on the lives of others.

A proud and devoted mother, grandmother, and great grandmother whose children became prominent physicians, dentists, lawyers, and leaders in their communities, a church founder and builder of a community and region—her loss cannot be absorbed by our State or Nation. Perhaps the greatest loss is for those countless persons of all ages who have lost their cherished friend and companion.

By Mrs. Wright's rich life we are able to celebrate the principles upon which America was founded. Surely, as we face that uncertain future as a nation, it is good for us to look at her life—to climb to this high place where shines so clear a light of conscience and of duty, where breathes so gracious a spirit of family and of marriage, where still resound the voices of wise counsel and of bold decision, where the memory of courage and of service can never die.

We can make no better offerings of thanksgiving for her inspiration than to rededicate ourselves and our children and our children's children to the Nation's old ideals embodied in the cornerstones laid throughout Mrs. Wright's life. ●

THEODORE CUMMINGS, A GREAT CALIFORNIAN

● Mr. CRANSTON. Mr. President, it is my great pleasure to join California's foremost civic and business leaders in paying tribute to a man we all know, love, and admire: Theodore E. Cummings, who celebrates this year his silver jubilee of community service.

On February 4, 1974, Theodore Cummings' friends and colleagues will fill the International Ballroom of the Beverly Hills Hotel to honor this prime benefactor of the Cedars-Sinai Medical Center and to express their wholehearted appreciation for his hard work and noteworthy accomplishments not only in the field of health, but in education and the arts.

Theodore Cummings led in the creation and expansion of the Cedars-Sinai Medical Center, where he now serves as chairman of the board of directors for the committee on resources and development, and as general campaign chairman. This achievement alone would warrant our respect and gratitude. In addition, however, Ted Cummings has distinguished himself with seemingly endless cultural and philanthropic endeavors.

He has contributed generously to benefits on behalf of the State of Israel, of which he is a staunch supporter. In 1975, he served as chairman of the regional leadership conference of Israel bonds. He has also been a special gifts chairman for the United Jewish Welfare Fund and is a trustee of the community relations committee of the Jewish Federation Council.

Among Mr. Cummings' major civic involvements rank his participation as a founder of the Los Angeles County Museum of Art and the Los Angeles Music Center, his guidance on the board of overseers of the Henry E. Huntington Library and Art Gallery, and his appointment to the board of trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden here in Washington. He also founded the Theodore E. Cummings Collection of Hebraica and Judaica at UCLA—an amazing collection including more than 32,500 rare books and manuscripts.

In addition to these considerable achievements, Ted Cummings cofounded the Jules Stein Eye Institute at UCLA, was a charter founder of the Eleanor Roosevelt Cancer Center and established the Theodore E. Cummings Humanitarian Award, which is presented annually to outstanding members by the American College of Cardiology for teaching overseas.

Ted Cummings is a man who has done far more than his share to improve the lives—and the quality of life—not only for Californians but for the people of our nation and, indeed, our world. I am honored to be among those wishing Ted happy anniversary and a heartfelt thank you for all you have done. ●

S. 268—SOFT DRINK BOTTLERS' PROTECTION ACT OF 1979

● Mr. MCCLURE. Mr. President, I am pleased to join in reintroducing legislation to prevent the Federal Trade Commission from closing down locally owned and operated soft-drink franchises. Local ownership has existed without Government interference since the turn of the century. It has fostered a healthy and productive partnership between local manufacturers and the parent company.

Without going into a lengthy legal explanation, I would like to give a very brief summary of what the FTC has done. The FTC in 1971 stated that seven soft-drink trademark licensors were guilty of antitrust violations. The licensors were accused of not engaging in intrabrand competition with their manufacturer licensees. These allegations simply are not true.

Competition among bottlers is fierce. They compete with one another, with regional brands and with in-house brands for the wholesale trade—each trying to become the major supplier. Intrabrand competition at the retail level is equal to that found in the selling and promotion of any other consumer product.

It is ironic that under the guise of antitrust enforcement, the FTC is threatening to take action which will result less competition and greater concentration of economic power. The soft-drink industry is unique in that national products are manufactured locally by independent businessmen.

Allowing the FTC to close down the small, independent bottlers will result in the loss of jobs by workers in scores of communities in this country with no demonstrable benefit to the consumer. We should see that they are allowed to continue to operate to the great benefit of their customers, their employees, and their communities. ●

THE FUTURE OF UNITED STATES-REPUBLIC OF CHINA RELATIONS

● Mr. STONE. Mr. President, since the December announcement regarding normalization of relations with the People's Republic of China, there has been much debate over the future of United States/Republic of China relations. I would like to insert two editorials which eloquently express the feelings of a great many Americans as the Congress and the President attempt to determine the future course of United States/Republic of China relations.

One of the editorials appeared in one of the finest papers in my State, the Miami Herald, and the other editorial was a television editorial on one of our popular Tampa Bay area stations, WTVT.

Mr. President, I ask that both of these editorials be printed in full in the RECORD.

The material follows:

KEEP AN INDEPENDENT TAIWAN

We can't understand why recognition of the Communists as the official government of mainland China had to include the virtual abandonment of an independent Taiwan. Of course, both the Nationalists and the Communists always have maintained the fiction that the island is just another province of China. But it has a different history, culture and economic system. Leaving it to the tender mercies of the Red Chinese undermines our international credibility.

We don't understand why we could not have traded recognition of the Communist government on the mainland for a commitment to leave Taiwan alone. At the same time, we could have told the Nationalists on Taiwan to give up the charade of being the real government for all of China. Florida has more than an academic interest in all this, since it is in the midst of trade talks with Taiwan, a potential market for oranges and tobacco.

Leaving Taiwan adrift in the China Sea could tempt Russia to move in, which might be welcomed by the Nationalists as less objectionable than being gobbled up by its giant neighbor across the Formosa Strait. Taiwan has great military value in the western Pacific, and we'd feel a lot better if any bases there were American. Recognizing the Red Chinese government was simply recognizing reality. But we should be just as realistic about Taiwan. We hope it's not too late.

CHINA'S DIPLOMATIC CONQUEST MAY RETURN TO HAUNT CARTER

There is a Chinese proverb that says, "The greater conqueror is he who overcomes the enemy without a blow." If that be so, the re-opening of diplomatic relations with the United States represents a double conquest for the Peking government. It has, with one dramatic gesture, "conquered" both Taiwan and mainland China's isolation.

The imminent rapprochement with Peking—diplomatic recognition in January, an exchange of ambassadors in March—is also a conquest for President Carter. But it carries a price that may, in time, prove regrettably dear.

In recognizing Peking as the government of all China, the United States perforce had to break its word with the Nationalist Chinese on Taiwan. They can count on continued U.S. observance of all of the two nations' 60-odd accords except the two they treasure: diplomatic recognition and the American pledge to repel any invasion of

Taiwan and its offshore islands, Quemoy and Matsu.

It hardly ameliorates matters to recognize that the United States could not have withdrawn diplomatic recognition of Taiwan without unilaterally abrogating their defense treaty as well. What value, now, will other U.S. allies place on the American signatures affixed to treaties with them? What faith, now, will they have that agreements reached when it was expedient for the United States to reach them will not be abrogated when Washington sees abrogation as in its own best interests?

These reservations taint the considerable advantage that the United States will gain, diplomatically and perhaps economically, by its pending recognition of Peking.

The diplomatic advantage is twofold. First, Richard Nixon undertook his historic 1972 trip to Peking in part because the United States felt that a restive China would be easier to deal with within the community of nations than outside it. Other nations felt so too, and in time the United Nations ousted Taiwan and seated Peking.

The second advantage for Washington, fully as important as the first, is the effect its recognition of Peking will have on the Soviets. One paragraph of last Friday's U.S.-Chinese joint communique clearly was addressed to Moscow. "Neither (the United States nor China) should seek hegemony in the Asia-Pacific or in any other region of the world," it said, "and each is opposed to efforts by any other country or group of countries to establish such hegemony."

Most of the Soviet Union lies in Asia, and the Kremlin considers its hegemony—dominance—in Asia to be a geopolitical imperative. Centuries of enmity, deepened by periodic flare-ups along their long and lonely border, have bred into both the Chinese and the Soviets a near-genetic loathing for one another.

The Soviets shrieked when China signed a peace treaty with Japan earlier this year, but they took no provocative action. They are deeply disturbed by the U.S.-Chinese rapprochement, and one question now is, How and where will they retaliate? Africa? Iran? Afghanistan, Cuba, even?

It remains to be seen whether the U.S.-Chinese diplomatic recognition will be the boon for U.S. exporters that some observers immediately foresaw. It can be argued that an emergent China, like any buyer, would have turned anyway to the best-equipped warehouse—the United States—for the foodstuffs, industrial equipment, and technology it needs to lift its economy out of feudalism.

In sum, all that can be said with certainty of the U.S.-Chinese rapprochement is that it came with unexpected swiftness, its arrival hailed by the klaxons that always signal high drama.

But the Americans and the Chinese are only at center stage, not alone. In the wings other players await: the Nationalist Chinese, the Soviets and their minions. They may determine whether the high drama is over, or just beginning. ●

STUDENT ESSAYS ON THE FREE ENTERPRISE SYSTEM

● Mr. THURMOND. Mr. President, last November during Free Enterprise Week in Oconee County, S.C., many young people entered an essay/poster contest sponsored by the distributive education club of Oconee County. Out of all the fine essays and posters submitted, two essays were judged to be best and one poster won against all others.

I commend the three winners, Marcia Miles, Patricia Watson, and Mary Nan

Ellenburg on their hard work and outstanding achievement. Not only have they demonstrated an understanding of the American economic system, but, through their efforts, have helped others gain knowledge of our free enterprise system.

Mr. President, in order that I may share the two outstanding essays with my colleagues, I ask that they be printed in the RECORD at the conclusion of my remarks.

The essays follow:

WHAT THE FREE ENTERPRISE SYSTEM MEANS TO MY FUTURE

(By Mary Nan Ellenberg)

The free enterprise system is based on the knowledge that each individual shall decide what is best for himself. No one man can make decisions for the entire nation, country, state, or group. For free enterprise to exist, there must not be a central economic plan. Thus one person or group cannot decide how much a certain manufactured product will cost, or what quantity will be produced. Men must make their own decisions and then face the consequences that come with it, whether profitable or nonprofitable. This system is, at the present time, in use in the United States, Canada, and a few other countries.

The free enterprise system means a great deal to my future. It will play an important part in my life when I enter the labor force. If I were to work in or run a small business, it would assure me that no larger business could build a monopoly, thereby putting smaller companies out of business. It assures me that one company cannot rule over all other businesses in a dictative manner.

The free enterprise system would not allow one person or company to set the pace on how much of one certain product is produced. The same thing works with prices of products. If this were allowed I would have little or no future in the small business line of work.

If there were no free enterprise system, I would not be able to make my own economic decisions. I would have to go by other businesses' decisions. I would not have the opportunity to try to make a business of my own. I would not have the right to use my money to start a business, whether it were wise or not.

The free enterprise system may also determine the cost of living for me in the future. If one group or person were able to control prices the cost of living would soar. This would put pressure on me to provide the needed assets for myself and my family. Such a situation would also have major effects on my style of living. It would limit what I could buy. The free enterprise system would also influence the job wages I would receive.

The free enterprise system in the United States is very important to me. It represents a way of life for myself and the people around me. It will give me the opportunity to make a living, the American way.

WHAT THE FREE ENTERPRISE SYSTEM MEANS TO MY FUTURE

(By Patricia Watson)

My future is actually based on the Free Enterprise System. When I graduate from high school, the system will engulf me into its overpowering ebb and flow. I will have the freedom to choose the job for which I qualify, the goods that I might purchase, and the services which are available.

The Free Enterprise System is based on individual initiative. Striving to further my education in order to become a better educated and well-rounded American plays an important role in my life.

Limited energy supplies may effect the economy in the future. Large industries, supplying jobs for thousands of people, may have to cut down on energy costs to meet a minimum use, due to the shortages of coal or oil. This, obviously, would mean that hundreds of people would be without jobs. To be realistic, I have to see myself as one of the jobless if I worked for that industry. But in our Free Enterprise System I may pursue another profession.

There is always a demand for many products. Especially if the population increases, there will be a great demand for the goods and services that are produced in the United States. Therefore, with my own individual initiative, I will have the freedom to buy the property and organize the resources, materials, and labor to supply the growing population with goods and services. I may choose to work in a factory owned by someone else. This, also, is my decision—the government does not make this decision for me.

As I have stated, I have the right to work where I want to, but I also have the right to live where I wish and to change my environment at any time.

In some countries, such as Russia, the people do not have these privileges. The Russian people have no options or choices as to what occupations they might choose. Without any opposition, most of them will live out their lives in the same environment.

I feel that as Americans, we could never adopt to some of those limitations. We are spoiled by our freedoms. The American people have known a life of freedom of speech and actions, with few restrictions.

Lincoln summarized what our forefathers based our freedoms on when he stated that we have a "... government of the people, by the people, for the people." So when we speak of what the Free Enterprise System means to our future, we may remember that the government was developed with the nation as a whole in mind. Our freedoms and rights were not made for any particular group of people. They were made for everyone in the United States.

As an American—in Salem, South Carolina—I will use the Free Enterprise System in my best interests. With this system I will be free to make my own economic decisions. I believe this is essentially the basis of our economic survival. ●

INTERVIEW WITH MR. RICHARD N. GARDNER, AMBASSADOR TO ITALY

● Mr. MUSKIE. Mr. President, I send to the desk and recommend for my colleagues' attention the text of an interview of the U.S. Ambassador to Italy, Mr. Richard N. Gardner. The interview was conducted by Mr. Alberto Ronchey for Italian television. I recommend it because it offers, in my opinion, a valuable insight to perceptions of the United States from abroad. Ambassador Gardner offers concise, but thorough responses to questions of interest to the Italian people. A studied awareness of the concerns of a highly regarded ally, such as Italy, is invaluable in the formulation of responsible foreign policy.

I ask that the text of the interview be printed in the RECORD.

The interview follows:

INTERVIEW OF AMBASSADOR RICHARD N. GARDNER

(By Alberto Ronchey)

Q. Ambassador Gardner, the Carter Administration is now two years old. I would like to ask you which events have characterized this period of American policy.

A. I think the record of the Carter Administration in these first two years is one of solid accomplishment, both in domestic and foreign policy. At home, the most important thing is that President Carter, after our difficult period of Watergate and Vietnam, has restored the confidence of the American people in the integrity, morality, openness and responsiveness of our government. I think we have also made important progress in reducing unemployment and increasing our rate of economic growth. In all honesty, we have not done such a good job in controlling inflation. But overall, the record economically is a good one.

In foreign policy, I think we can say objectively that we have taken major initiatives for peace, for disarmament, for human rights and specifically to strengthen our relations with our close friends and allies in Europe and Japan. I need only mention the extraordinary initiative the President took in bringing about the Camp David agreement which, I believe, despite all difficulties, will lead to peace between Israel and Egypt in the Middle East. And I think as far as our allies are concerned, President Carter has demonstrated in his leadership in the economic summits and the NATO summits that we intend to work more closely than ever with you in Europe to assure Europe's defense and to assure a stronger international economic system. These seem to me to be the most important elements in the first two years of President Carter.

Q. You have just mentioned the problem of inflation. The Italian edition of your book "Politica economica ed ordine internazionale," with Guido Carli's preface, has been published recently. I remember that you have great experience in this field, and I would like to ask you if you think that a lasting stability of the dollar is possible despite the dangerous wandering masses of Eurodollars and petrodollars.

A. I think stability of the dollar is possible. Indeed it's essential, because the dollar, as you know very well, is not only an American currency, it's a world currency, it's the currency which is used for world trade, it's the currency used by most countries for the holding of reserves. Therefore, a strong dollar is in everyone's interest. And to this end, President Carter is totally committed, and we are going to have a strong dollar. The President, first of all, has committed himself in the November 1st announcement to intervene massively to prevent speculation against the dollar in the foreign exchange markets, and you've seen how this has succeeded in restoring confidence in the dollar; the dollar has recovered much of the value that it lost in previous months. In addition, to have a strong dollar, we must reduce our balance of payments deficit, and all the forecasts by objective sources, such as the International Monetary Fund and OECD, indicate that our deficit will be greatly reduced next year, mainly because our rate of growth relative to that in Europe and Japan will go down, so we'll be importing less and exporting more. And finally, we have made a very serious commitment to control our domestic inflation. We recognize that unless we control our inflation we can't have a strong dollar. To this end, the President has increased the discount rate and committed himself to reduce our budget deficit. These were not easy decisions for him to take; in some respects, they are politically unpopular. But they represent our recognition of our responsibilities, not only to our own people, but to the rest of the world.

Q. Personally, do you believe it possible to stabilize the dollar avoiding a recession in the States?

A. I do believe it's possible. The forecast for our economy in 1979 is for a rate of growth of between 2 and 3 percent. That's

not a recession. It's a reduced rate of growth compared to the growth of 4 to 5 percent we've had this year and the year before. But we just have to have somewhat reduced growth in order to control inflation.

Q. How can the birth of the SME and the ECU, the new European shield, contribute to international monetary stability?

A. I think it will make a major contribution. Let me emphasize that we believe that a strong and united Europe is a good thing, not only for Europe but for the U.S. and the entire world. We favor the economic integration of Europe and we believe that the SME, the EMS as we call it, can be a very important step toward those objectives. We don't see it as antagonistic to the dollar. Indeed we see it as part of a process of international collaboration to achieve greater stability in international payments. A zone of monetary stability in Europe will mean less international currency speculation against individual European currencies and against the dollar. Having said this, I want to emphasize that we are not taking any position as to whether any particular European country should join or not. That is a matter for every country to decide in the light of its own appreciation of its national interest. All we are saying is that we favor the process of European integration and believe the SME is a constructive step in that direction.

Q. Ambassador Gardner, another subject. Thirty years have passed since the Declaration of Human Rights. During the past two years, right when the phenomenon of Soviet dissension was breaking out, President Carter has been pressing for the respect of human rights, especially in the USSR. But how can the Carter doctrine be compatible with Washington's policy towards other nations, such as Iran and Nicaragua, where these rights are violated? And this is not all. The more or less despotic governments of the world are about one hundred; do you think that the United States would maintain their influence on a world scale if they made their foreign policy conditional on each of those governments' respect for human rights?

A. This important question of human rights has interested me for many years. In fact I worked on that subject of human rights when I served in the Kennedy Administration. And more recently as a private citizen I was a member of the Board of Freedom House, which is perhaps the leading private organization in the United States concerned with human rights. That organization publishes every year a map of freedom in the world, and this year the map shows that in the world there are about forty countries that are truly free, about 60 countries that unfortunately are not free, and about 50 countries that are partly free and partly not free. Now it's obvious that the United States cannot impose freedom by military force on the countries that are not true democracies. And there would be no point in our cutting off diplomatic relations with the countries that are not free, because that would serve no purpose, we would then have no influence over them. So what this administration is doing, is to try to use its influence, political, economic, and moral, to persuade countries to grant more human rights to their citizens. We do this everywhere, not just with respect to the Soviet Union, but we do it in Latin America, we do it in Africa, we do it in Asia. We do it with Nicaragua and Iran, where we have consistently urged the leaders of those countries to grant more rights to their citizens and to move toward free elections. Our interest is global; not only does it apply everywhere in the world but it applies to economic rights as well as to political rights. We care deeply about such things as the right to form a free trade union, the right to strike, the right to choose one's job freely, the right to have decent working conditions, the right to move around

one's country. All of these rights of course do not exist in the Soviet Union and in Communist countries. So we have a major interest in human rights in the world and every country now knows that how it treats its own citizens will be a major element in its relations with the United States. And that is our policy on human rights, it's neither more nor less than that.

Q. I see that the estimates of this map of freedom are more or less like mine, since 60 countries which are not free and 50 countries which are partly not free correspond, as I said before, to approximately 100 despotic governments in the world. I would like to ask you how you consider, today, the phenomenon called "Eurocommunism" with respect to its French, Spanish and Italian variations.

A. This is such an important question that you are asking, that I want to be sure that I give a precise answer and of course in a matter like this an ambassador doesn't make policy, he reflects the policy of his country.

So the first thing I want to say is that the Carter Administration has expressed its view many times, and that view has always been the same. We have said, first of all, that it is up to our friends and allies to decide how they want to be governed. They are sovereign countries, we will not interfere in their internal politics. We have said, secondly, that we are also a sovereign country and we have a right to express a preference as to what kind of friends and allies we wish to have, and we have said consistently that we do not favor the participation of Communist parties in West European governments and that we would like to see the influence of Communist parties reduced. This is not a new policy, it has been the policy of the United States from the time of Truman, Eisenhower, John Kennedy, Nixon, Ford and Carter.

If you ask the reasons for this position I think I can do no better than to quote what President Carter himself said shortly after he was inaugurated on May 2, 1977, in an interview with some European television journalists. He said and I quote: "We strongly favor the election of leaders who are committed to freedom and democracy and who are free from Communist philosophy, which quite often has been dominated from the Soviet Union or other nations." And my former Columbia colleague Dr. Brzezinski, now the National Security Adviser of President Carter, has more recently, in the fall of 1977, expressed very precisely our view of Eurocommunism, and permit me to quote this because it's a very important statement. He said, in an interview on October 9, 1977, in the Washington Post: "Eurocommunism is a highly differentiated phenomenon. All it is really is a catchword for West European Communist parties. Some of these parties are still highly Stalinist, such as the Portuguese. Some of them have begun de-Stalinization, but they've only begun it, like the French. Some of them are relatively de-Stalinized, but are still highly Leninist, like the Italian. Some are de-Stalinized and probably are de-Leninized, such as perhaps the Spanish. It's useful to bear these distinctions in mind because I think they enable us to make more discriminating judgments in regard to specific West European Communist parties, instead of lumping them under one label which really ignores quite important differences." I can do no more than to quote that which represents the continuing view of our Administration.

Q. One of the most impressive new facts in recent times has been the pragmatic turn of Teng Hsiao-Ping's China, which, I would say, can open new prospects in the political scene. Actually, let us say, contradiction, antagonism, between the Chinese and the Soviets is not new since it dates back to the end of the 50's. But if it is possible for closer relations to exist between the

United States and China, then a problem arises often underscored by the Soviets. What would happen (there was a recent interview of Arbatov by "The Observer") if Washington decided to play the Chinese card, I mean from the strategic point of view, among other things, against Soviet interferences in Africa and around the oil route; what risks would this choice involve?

A. Well, it's not a matter of playing the Chinese card. The fact is that the U.S. wants to have better relations with both the Soviet Union and China and we are not going to let either one of them dictate conditions to us that we must not have relations with the other. We're just not going to permit that, we want to have relations with both, and I think I can say as of this time that our relations with both countries are improving. I think we're very close to signing a SALT agreement, and other accords with the Soviet Union, which will put our relations on a more stable basis. As you know, we have announced the establishment of full diplomatic relations with China. We're naturally very pleased at the developments that have taken place in China. You spoke of the pragmatism of this regime, this is in the great tradition of Chinese pragmatism. That China is moving back into a constructive relationship with the world is a positive thing for everybody—for Europe no less than the U.S., and to the extent that trade develops between European countries and China, the U.S. and China, this is all to the good. As to the question of military sales, our position is very clear, it's the same position that other members of NATO have taken, it's for each NATO country to decide whether to sell weapons to China. As for ourselves, we don't sell weapons either to China or the Soviet Union, but we are not asking our NATO allies to put an embargo on sales to China, that is for each country to decide. But we want good relations with both of these countries, it's in the American interest, and frankly it's in the world interest to have these relations.

Q. Ambassador Gardner, a historical tradition of the relations between Soviets and Americans exists in accordance with which, when mutual suspicions and controversies reach the crucial point, a summit meeting is called. Thus one remembers Camp David between Eisenhower and Khrushchev, Vienna between Kennedy and Khrushchev, Glassboro between Johnson and Kosygin, Moscow between Nixon and Brezhnev. Is it now possible to ratify in the near future the SALT II agreement still without a Soviet-American clarification of some problems of intent possibly through a Carter-Brezhnev summit meeting?

A. President Carter has indicated that when the SALT agreement is ready for signature, he would like to meet with Chairman Brezhnev in the U.S. and I think the President has also indicated that he would like to use this meeting not just to sign SALT, but to review the totality of our relations with the Soviet Union. You remember during the Presidential campaign—when I had the privilege of being the co-chairman of President Carter's Foreign Policy Task Force, along with Doctor Brzezinski—during that campaign President Carter said it was his objective to make detente with the Soviet Union both more reciprocal, more of a two-way street, and more comprehensive, namely that detente should cover not just relations between our two countries, but the way our two countries act with respect to the rest of the world. It's obvious that we can't have a lasting detente if the Soviet Union considers itself free to send client states' military forces, Cuban forces, into Africa or other places to impose their particular kind of social system, that is not a detente, so detente must become more comprehensive and these issues will have to be discussed, frankly, at any future summit meeting.

Q. Many say that the new N-bomb is the

capitalist bomb because it would destroy man, saving things. How do you reply to this polemic?

A. This is the usual Soviet propaganda. I don't think serious people pay much attention to it, the facts are very simple. The so-called "Neutron-bomb" isn't a new weapon at all, it's simply an improved version of existing tactical nuclear weapons which both NATO and the Warsaw Pact have already installed in Europe, in large numbers. The difference between this improved version, the so-called Neutron-bomb, and existing weapons is simply this—that whereas the existing weapons make it possible to destroy an invading Soviet tank column within a diameter of one kilometer, while causing damage out to four kilometers in the surrounding countryside, the improved version makes it possible to destroy that same Soviet tank column within a radius of one kilometer, while limiting surrounding damage to two kilometers. So that far from being a weapon, as the Soviet propagandists say, that kills people and spares things, this is a weapon that kills less people and kills the right people, the aggressors, and spares the defending armies and the civilian populations, that's what it does, and that's why the Soviet Union is so anxious to prevent it from being deployed. And I find it strange, since you bring up the subject, that some people in Western Europe conduct this hysterical campaign against the neutron-bomb as an immoral weapon, and never say a word about the Soviet SS 16/18/20 weapons, which have twenty thousand times the destructive power of the so-called neutron-bomb. Why are they silent about this? Doesn't that tell us something about their good faith? Now I want to emphasize, I've always been a man of peace, I've spent my whole professional life working for disarmament, for the elimination of war, for the peaceful settlement of disputes, so I don't like any weapons, and frankly I would prefer to see the so-called neutron weapon not deployed, but as President Carter said, whether we will deploy it or not, will be determined by whether the Soviet Union is prepared to take minimum steps toward reducing their enormous buildup of conventional and strategic forces. They have sixteen thousand tanks, facing seven thousand tanks on the NATO side. If they're prepared to do something about this imbalance in conventional forces, it may be possible for us not to deploy this improved tactical nuclear weapon.

Q. Now, in connection with these remarks made by President Carter, on which conditions, exactly, could Washington give up the construction of the N-bomb? Do these conditions regard the MBFR negotiations, for the reduction . . . ?

A. Well, it's not for me to set precise conditions, our policy is simply this: we haven't decided on whether to deploy the so-called neutron bomb, we would prefer not to deploy it, our decision will be based on whether the Soviet Union shows restraint in its build-up, both of its conventional forces, such as the tanks, in which as I mentioned they have this big superiority, and in the build-up of its nuclear forces, including those nuclear weapons which are targeted on Western Europe. The Soviet build-up, on any objective standard, goes far beyond the Soviet Union's needs for defense and it is in Europe's interests and our interest to see some reduction in that military build-up. If that takes place, we will respond.

Q. Mr. Ambassador, to sum up, what are the problems which most engage you personally in your capacity as American Ambassador in Rome today?

A. Ninety percent of my time is spent on what I like to call "the strategy of cooperation," that is to say on about 10 very specific programs of cooperation and mutual benefit, between Italy and the United States, which we have initiated, in the Carter Administration. For example: we have a major program

of cooperation in the energy field. We announced, in the first meeting between President Andreotti and President Carter, that we're prepared through the Export-Import Bank to finance a major part of the cost of Italy's eight 1,000-megawatt nuclear reactor program. We're also working with the Italian Government to assure the safety and environmental security of those reactors.

Q. Mr. Ambassador, there are also programs for the utilization of solar energy . . .

A. Exactly, and because the Italian Government, just as the American Government, wants a balanced energy program, which uses not just nuclear energy, but as much as possible renewable energy sources, our two governments are working together on research and development of solar energy, wind energy, the conversion of waste material into energy (so-called bio-mass energy). This will also help the South of Italy, because the solar energy, and the wind energy, are projects for Sicily and Sardinia. We are also exploring the use of coal of Sardinia, how to use it notwithstanding its high sulfur content in coal gasification projects. So we have a major program in energy of mutual interest to both sides. Also geothermal energy, in which Italy is the world leader, and we get benefits from cooperating with you.

Then, in the field of unemployment, we are sharing information on how to deal with unemployment problems, particularly youth unemployment. How to provide incentives to private industry to create more jobs, how to provide jobs through the public sector, we have major cooperation here.

In the field of health and environmental protection we have a major cooperative program with respect to dangerous chemicals and how they should be controlled, drug addiction, cancer and heart disease.

In the field of economics, we are doing everything we can to facilitate American investment in Italy, and we've had some successes. Recently there was this big agreement between Boeing and Aeritalia providing for Italian participation in the production of the Boeing 757 and 767, which will be the principal passenger aircraft that Boeing will produce in the rest of the century. And this will bring thousands of jobs and billions of dollars of new income to the Mezzogiorno of Italy. We are working together to create more export opportunities for Italy, through keeping tariffs and trade barriers low. We rejected the proposal to put increased restrictions on Italian shoe exports, that was a major decision of President Carter to help Italy.

In the field of education and culture, we have started a truly exciting program by which the United States will help Italy improve English language instruction in Italian schools and universities, and your government is helping us improve the teaching of Italian in our schools and universities. You know, Italian is the fastest-growing language in America today, because so many Americans of Italian descent are rediscovering their roots, and many other Americans, not of Italian descent, want to learn Italian. I am a good example of that because I am not an Italian-American. I married a girl from Venice, and I think I am living proof that you don't have to be an Italian-American to want to learn Italian. So we have a big growth in interest in the Italian language in the United States and we need your help in training teachers.

And then we are increasing in a major way our exchange of persons. We have increased by 60 percent our funds for the bringing of young Italian leaders to the United States, political leaders, journalists, trade unionists and scholars. Together our two governments are encouraging the development of a student loan fund, in which the private sector of our two countries, banks and business firms, both Italian and American, will create student loans to bring up to

200 young Italians from poor families to do post-graduate work in the United States on subjects of importance to Italy's future. So in all these ways we are trying to find practical ways to help strengthen democracy and economic welfare in Italy as well as in the United States.

Q. You have mentioned possible investments. Well, on which conditions, in your opinion, would it be easier to obtain investment from the United States, particularly for Southern Italy?

A. Well, as you know very well, American private investors, like all private investors, are not charitable institutions. They invest where they see a chance to make a profit and investment security. And so we must study together how to create these conditions. American investors, like all investors, look at the cost of labor in Italy relative to the cost of labor elsewhere and they look at the issue of labor mobility. If they can be assured on those matters, and if they can be assured that national and local government authorities will take a favorable view, an encouraging view, I think they'll come to Italy. There's already three billion dollars of American investment in Italy. I'd like to see that grow. But that's something on which our two governments must work together. I'm doing everything I can when I return on visits to the United States to encourage American business to think of Italy as a place to invest, particularly in the South. And there are great opportunities, tourism is one area, agriculture, as well as industrial projects, in which our two governments can encourage investment.

Q. Therefore, you say that in the industrial sector competitive cost of labor and labor mobility are the two major conditions necessary to obtain foreign investment in general, and therefore also American investment.

A. And that's also true for Italian investment. There will be American investment in the Italian South when there is Italian investment in the Italian South. I'd like to see joint ventures between Italian and American investors. But my point is that most of my time as Ambassador is spent on this strategy of cooperation. Indeed, it's a measure of the interdependence of our two countries that we are working not only between foreign offices on diplomatic problems; we are working between labor ministries, education ministries, health ministries, and so on, on common problems that face all industrialized democracies. And this testifies to the very special, close, warm and friendly character of the relationships between Italy and the United States today. ●

PROPOSED CONSTITUTIONAL AMENDMENT TO LIMIT FEDERAL SPENDING

● Mr. STONE. Mr. President, as a member of the Congressional Advisory Committee of the National Tax Limitation Committee, I want to share with the Senate the results of many months of careful work by the drafting committee of this organization. This group has announced its proposal for a constitutional amendment to limit Federal Government spending.

I commend and endorse the basic approach of this proposal—to limit Federal outlays as a function of the gross national product. It is a real and effective way to limit the spending of the Federal Government. Over the long run,

it would insure that the fruits of American labor and investment are not unreasonably taxed for Government use but rather remain in the hands of the Nation's citizens who can use that money to improve their own lives.

Inasmuch as the national tax limitation drafting committee has only recently made its work public, I have not had the opportunity to review it in every detail. Although constitutional amendment approach to limiting Federal spending is strong medicine, and should be taken with care, I have no doubt this Congress must make clear to the public it will draw the line on an ever-increasing Federal outlays of cash. Because I am a member of the National Tax Limitation Committee's Congressional Advisory Committee, I am familiar with the overall approach the group has taken to limiting the Federal budget's growth. I think there is much in this proposal which can be the foundation for a limit on Federal Government spending. I intend to draw on this package for my own proposal later in this session of Congress.

Given the level of budget deficits in the past 10 years and the apparent inability of Congress and the President to bring Federal spending under control, I believe the time has come to take effective steps to insure there is control in the future. Some Members of the Senate have already introduced such proposals of their own, and 24 States have adopted resolutions calling for a constitutional convention to adopt a constitutional limit on the Federal budget deficit.

President Carter's 1980 budget, which many of us are now studying closely, is a step in the right direction. I am confident the 96th Congress will not only support the President but will press even further in this direction.

But more needs to be done. The proposal of the National Tax Limitation Committee is clearly an appropriate approach. It is based on sound economic principles and deserves the consideration of each Member of Congress. I encourage my colleagues to examine it closely, and I ask them to comment on its content, both on the specific idea of tying spending to the gross national product and on the general idea of limiting spending through an amendment to the U.S. Constitution. To that end, Mr. President, I ask that the text of this proposal and the supplementary material attached be printed in full in the RECORD immediately following these remarks.

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

JANUARY 30, 1979.

In July 1978, The National Tax Limitation Committee asked several distinguished Americans to join together in an effort to prepare an Amendment to the Constitution of the United States that would limit spending by the Government of the United States and get at the root cause of inflation.

The Committee has prepared and now offers this Constitutional Spending Limit Amendment to interested Members of Congress and other citizens. We believe that this Amendment design offers a responsible method for dealing with our fiscal and monetary problems.

WILLIAM F. RICKENBACKER,
Chairman.
LEWIS K. UHLER,
President.

A PROPOSED CONSTITUTIONAL AMENDMENT TO LIMIT FEDERAL SPENDING

Section 1. To protect the people against excessive governmental burdens and to promote sound fiscal and monetary policies, total outlays of the Government of the United States shall be limited.

(a) Total outlays in any fiscal year shall not increase by a percentage greater than the percentage increase in nominal gross national product in the last calendar year ending prior to the beginning of said fiscal year. Total outlays shall include budget and off-budget outlays, and exclude redemptions of the public debt and emergency outlays.

(b) If inflation for the last calendar year ending prior to the beginning of any fiscal year is more than three per cent, the permissible percentage increase in total outlays for that fiscal year shall be reduced by one-fourth of the excess of inflation over three per cent. Inflation shall be measured by the difference between the percentage increase in nominal gross national product and the percentage increase in real gross national product.

Section 2. When, for any fiscal year, total revenues received by the Government of the United States exceed total outlays, the surplus shall be used to reduce the public debt of the United States until such debt is eliminated.

Section 3. Following a declaration of an emergency by the President, Congress may authorize, by a two-thirds vote of both Houses, a specified amount of emergency outlays in excess of the limit for the current fiscal year.

Section 4. The limit on total outlays may be changed by a specified amount by a three-fourths vote of both Houses of Congress when approved by the Legislatures of a majority of the several States. The change shall become effective for the fiscal year following approval.

Section 5. For each of the first six fiscal years after ratification of this article, total grants to States and local governments shall not be a smaller fraction of total outlays than in the three fiscal years prior to the ratification of this article. Thereafter, if grants are less than that fraction of total outlays, the limit on total outlays shall be decreased by an equivalent amount.

Section 6. The Government of the United States shall not require, directly or indirectly, that States or local governments engage in additional or expanded activities without compensation equal to the necessary additional costs.

Section 7. This article may be enforced by one or more members of the Congress in an action brought in the United States District Court for the District of Columbia, and by no other persons. The action shall name as defendant the Treasurer of the United States, who shall have authority over outlays by any unit or agency of the Government of the United States when required by a court order enforcing the provisions of this article. The order of the court shall not

specify the particular outlays to be made or reduced. Changes in outlays necessary to comply with the order of the court shall be made no later than the end of the third full fiscal year following the court order.

DISCUSSION

Section 1. The basic limit:

The basic limit on federal outlays has two parts. One part applies whenever inflation is three per cent or less, the other part whenever inflation is more than three per cent.

Inflation Three Per Cent or Less. If inflation is three per cent or less, the Federal Government cannot increase its share of gross national product. If, for example, gross national product increases by five per cent from one year to the next, then government spending cannot increase by more than five per cent. Even if government spending increases by the maximum allowed—in this case five per cent—its product merely remains constant.

An important feature of the limit is that it is a linked limit in which each year's limit depends on actual spending of the preceding year. This is the mechanism that permits the Congress gradually to reduce the government's share of the gross national product.

If, in any year, the Congress spends at a slower rate than the limit allows, that sets a new and lower base for future years.

Another important feature is the time difference between the fiscal year and the calendar year. Gross national product for any year is not available until some months after the end of the year. The difference in timing makes it possible to calculate the limit in ample time for the necessary budget process. For example, fiscal year 1980 starts in October 1979. The spending limit for that fiscal year would be based on the rate of economic growth during 1978. These data become available early in 1979, just at the moment the federal budgeting process for fiscal year 1980 is getting under way.

The time difference also has a countercyclical advantage. Gross national product increases most rapidly during a boom. This amendment permits the most rapid increase in government spending when the economy is generally over the boom and in a recession—i.e., 21 months beyond the boom peak (21 months is the interval between the start of a calendar year and the start of the succeeding fiscal year). And gross national product increases most slowly during a recession. That brings about a slower increase in government spending 21 months later, when the economy is likely to be past the recession and entering the most rapid phase of the ensuing recovery.

Government spending is defined in this amendment as "total outlays" in order to cover as fully as possible all spending by the government other than debt redemption. Because emergency outlays are excluded, the emergency provision in Section 3 cannot be used to raise the limit for years following the emergency period.

Inflation More Than Three Per Cent. If inflation is more than three per cent, spending still may rise, but the rate of growth will not be quite so fast as the rate of growth in nominal gross national product. Congress, therefore, will have a strong incentive to reduce inflation, to hold down spending, and to cut any deficit. The three per cent cushion provides ample room for unavoidable zigzags in inflation from year to year, and for errors in statistical measurement. At the same time, the inflation penalty in this section establishes a strong pressure for responsible management of the federal budget while not depriving Congress of the neces-

sary flexibility in adjusting to changing conditions. A reduction in the government's share of gross national product should be achieved gradually, to permit an orderly adjustment by employees, employers, consumers, and investors. This is why the spending limit is reduced gently—but steadily. Also: the higher the inflation rate, the greater the incentive for Congress to reduce inflation.

For example, if real gross national product goes up by four per cent per year and the nominal gross national product goes up by 11 per cent, inflation is seven per cent. The permitted maximum increase in government spending would be ten per cent instead of 11 per cent—a reduction of one-tenth. If nominal gross national product goes up by 15 per cent, inflation is 11 per cent. The permitted maximum increase in government spending would be 13 per cent, instead of 15 per cent, a reduction of slightly more than one-tenth.

For simplicity, inflation is defined as the difference between the percentage increase in the current dollar value of the gross national product and the percentage increase in the real gross national product. This is arithmetically slightly different from the usual definition of inflation as the rate of change of the implicit price index. (See "Appendix A".)

Section 2. Handling of surplus:

This section simply makes explicit that any surplus must be used to reduce the debt of the United States. The section is fully consistent with current practices regarding management of the public debt. Once the debt is eliminated, this would permit further reductions in taxes.

Section 3. Emergency provision:

Any workable limitation on spending must provide for emergency situations, of which the obvious and the most extreme would be the outbreak of a major war. This amendment provides for such situations by building on present practice, under which the President declares an emergency and the Congress may then authorize expenditures in excess of the limit to meet the emergency. In order to deter the use of this provision to thwart the intent of the amendment, the amount of emergency outlays must be specified, the authority must expire at the end of each fiscal year and must be renewed if the need for emergency funds continues, and the emergency outlays may not be included in the base for calculating the spending limit for future years.

Section 4. Permanent change:

Because of the year-to-year "linkage" in the limit mechanism, a change in the limit for any single year will affect subsequent years. Such a change should be made only when it has widespread public support. This section, therefore, requires a three-fourths vote of both Houses of Congress plus approval by the Legislatures of a majority of the States.

Though a "change" may, of course, be either an increase or a decrease, this section has to do primarily with increases. The reason is that a decrease for any current fiscal year can be achieved by a simple majority of both Houses of Congress voting total outlays below the permissible limit. However, this section makes it possible for a Congress to ask the States to approve decreases that will apply to one or more future years.

Section 5. Protection of grants to States and local governments:

This section guarantees State and local governments their current share of federal spending for six years. Thereafter, it permits reductions in their share to take place but

only if that reduces total federal spending dollar for dollar. It thus avoids any incentive for further concentration of spending in Washington at the expense of the States and local units of government.

Section 6. Protection of States and local governments against imposed costs:

This section prevents the Federal Government from imposing costs on State and local governments without compensating them. This closes a loophole by which the limit on federal spending might be circumvented.

Section 7. Method of enforcement:

The public needs assurance that the spending limit will be enforced. The Judiciary is the established agency of the Government for enforcing the Constitution. At the same time, it is desirable not to abuse the courts with a multitude of nuisance suits. This section allows only Members of Congress to have standing to sue and concentrates these suits in the District of Columbia. Though citizens cannot sue individually, as would be desirable in principle, any of their representatives has standing to do so.

The Treasurer of the United States already is entrusted with the legal responsibility for disbursing federal monies. The Treasurer is now personally responsible for debts exceeding the debt limit. Hence, the Treasurer clearly seems to be the appropriate officer to be named as a defendant and to be charged with the responsibility of carrying out any resulting court order.

This section prohibits the court from specifying the particular outlays to be made or reduced. Such fiscal management is and should continue to be a legislative and executive responsibility. Congress may legislate which outlays the Treasurer shall reduce and by how much. Permitting any correction to be made over a three-year period provides more than enough flexibility.

APPENDIX A

For example, if the dollar value of gross national product goes up by 11 per cent and real gross national product goes up by four per cent, the rate of change of the implicit price index would be calculated by dividing 1.11 by 1.04, giving an inflation rate of 6.73 per cent, rather than subtracting 1.04 from 1.11, giving an inflation rate of seven per cent. As this example indicates, the two measures of inflation differ by a percentage equal to the rate of real growth. For four per cent real growth, the inflation rate of three per cent used in the amendment amounts to a rate of change of the implicit price index of 2.88 per cent.

Simulation of operation of limit over 10-year period with stable inflation of 8 percent

Assumptions: Growth in real gross national product 3.0 percent. Growth in nominal gross national product 11 percent. Spending assumed always equal to outlay limit.

Year	Percentage increase		Spending of GNP as percent
	Nominal GNP	Spending limit	
1	11.0	9.75	21.3
2	11.0	9.75	21.1
3	11.0	9.75	20.9
4	11.0	9.75	20.6
5	11.0	9.75	20.4
6	11.0	9.75	20.2
7	11.0	9.75	19.9
8	11.0	9.75	19.7
9	11.0	9.75	19.5
10	11.0	9.75	19.3

SIMULATION OF OPERATION OF PROPOSED LIMITATION FOR 1969 TO 1978

[Simulation for limit assumes total outlays equal to actual outlays or maximum allowed under limit, whichever is lower; assumes receipts equal to actual receipts; assumes gross national product equal to actual gross national product.]

	Total outlays							
	Billions		Percentage increase		Percent of GNP		Deficit (billions)	
	Actual	Limit	Actual	Limit	Actual	Limit	Actual	Limit
1969	\$184.5	\$184.5	3.2	3.2	20.4	20.4	¹ -\$3.3	¹ -\$3.3
1970	196.6	196.6	6.6	6.6	20.5	20.5	2.9	2.9
1971	211.4	210.8	7.5	7.2	20.7	20.7	23.0	22.4
1972	232.0	220.1	9.7	4.4	20.9	19.8	23.4	11.5
1973	247.1	237.0	6.5	7.7	20.0	19.2	14.9	4.8
1974	271.1	260.2	9.7	9.8	19.9	19.1	4.7	1.4
1975	334.2	288.4	23.3	10.8	22.9	19.8	45.2	7.4
1976	373.7	307.1	11.8	6.5	23.1	18.9	66.4	7.1
1977	411.4	327.4	10.1	6.6	22.5	17.9	45.0	¹ -30.4
1978	461.2	362.1	12.1	10.6	22.6	17.7	48.8	¹ -39.9
Cumulative deficit 1969-78							271.0	-22.2

¹ Surplus.

MEMBERS, FEDERAL AMENDMENT DRAFTING COMMITTEE

(Partial list; alphabetical)

* C. Austin Barker—Vice President/Consulting Economist, Loeb Rhoades, Hornblower & Co., New York.

Robert Bork—Professor of Law, Yale University; former Solicitor General of the U.S.

James Buchanan—Professor of Economics; Director, Center for the Study of Public Choice, VPI.

* Robert B. Carleson—President, Robert B. Carleson & Associates, Washington, D.C., and Sacramento, Calif.; former U.S. Commissioner of Welfare.

* David Y. Copeland—Tennessee State Representative; Vice President of NTLC.

James B. Edwards—Governor of South Carolina.

Daniel Elazar—Senior Fellow, Center for Study of Federalism, Temple Univ., Philadelphia.

* Milton Friedman—Senior Research Fellow, Hoover Institution, Stanford, Calif.; Nobel Laureate, Economics.

Rose Friedman—Economist.

Robert J. Gordon—Professor of Economics, Northwestern University, Chicago.

* Allan Grant—President, American Farm Bureau Federation, Park Ridge, Ill.

James M. Hall—Attorney, Los Angeles; former Secretary, Calif. Human Relations Agency.

* C. Lowell Harriss—Professor of Economics, Columbia University, New York; Consultant, The Tax Foundation, Inc., New York and Washington, D.C.

Robert B. Hawkins, Jr.—President, Sequoia Institute (public policy research); formerly Woodrow Wilson Fellow, Smithsonian Institution, Washington, D.C.

* Richard Headlee—Chairman, Taxpayers United for Tax Limitation, Michigan; President, Alexander Hamilton Life Insurance Co., Farmington Hills, Michigan.

J. Clayburn LaForce—Dean, Graduate School of Management, Univ. of Calif. at Los Angeles.

James T. Lynn—Partner, Jones, Day, Reavis & Pogue, Cleveland and Washington, D.C.; former Director of Office of Management and Budget.

Paul W. McCracken—Edmund Ezra Day University Professor of Business Administration, University of Michigan, Ann Arbor; Past Chairman, President's Council of Economic Advisors.

Robert A. Nisbet—Resident Scholar, American Enterprise Institute, Washington, D.C.; Albert Schweitzer Professor of Economics, Columbia University, New York.

* William A. Niskanen—Chief Economist, Ford Motor Co., Dearborn Michigan; former Professor, Graduate School of Public Policy, Univ. of Calif. at Berkeley.

* Glenn Pascall—Executive Vice President, Washington State Research Council, Olympia; Chairman, National Taxpayers Conference Committee on Tax/Spending Limitations.

* Present at the final drafting session.

* William F. Rickenbacker—Chairman, National Tax Limitation Committee.

William Riker—Chairman, Political Science Dept., Univ. of Rochester, New York.

* William H. Shaker—Founder, Taxpayers United of Michigan, Midland.

Frank Shakespeare—President, RKO General, New York; former Director, U.S. Information Agency.

* W. Craig Stubblebine—Professor of Economics, Claremont Men's College and Claremont Graduate School, Claremont Calif.

* C. T. Thatcher—Director, State and Local Government Operations, National Federation of Independent Business, San Mateo, Calif.

* Donald L. Totten—Illinois State Representative, Schaumburg; Vice President of NTLC.

* Lewis K. Uhler—President, National Tax Limitation Committee.

Charles E. Walker—President, Charles E. Walker Associates, Inc., Washington, D.C.; former Deputy Secretary of Treasury.

* Aaron Wildavsky—Professor, Univ. of Calif. at Berkeley (on leave); former President of Russell Sage Foundation, New York; former Dean, Graduate School of Public Policy, UCB.

* Walter E. Williams—Professor of Economics, Temple University Philadelphia; former National Fellow, Hoover Institution, Stanford, Calif.

* John A. Rapanos—Businessman, Rapanos Enterprises, Michigan. ●

ORDER FOR RECESS UNTIL MONDAY, FEBRUARY 5, 1979

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 o'clock noon on Monday.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, the Senate, at 5:59:09 p.m., took a recess, subject to the call of the Chair.

The Senate reassembled at 5:59:51 p.m., when called to order by the Presiding Officer (Mr. PRYOR).

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

ORDER CHANGING DATE IN SENATE CONCURRENT RESOLUTION 3

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the April 1 date which was included in the order entered on yesterday with respect to the concurrent resolution offered by Mr. HART, Senate Concurrent Resolution 3, be changed to the date of March 30.

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

SENATE RESOLUTION 9—PROPOSED AMENDMENT OF STANDING RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending motion before the Senate at this time is the motion to proceed to the consideration of Senate Resolution 9.

Mr. ROBERT C. BYRD. Without delay.

The PRESIDING OFFICER. Without delay.

Mr. ROBERT C. BYRD. I thank the Chair.

RECESS UNTIL MONDAY, FEBRUARY 5, 1979

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 12 noon on Monday.

The motion was agreed to; and at 6 p.m., the Senate recessed until Monday, February 5, 1979, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate February 1, 1979:

DEPARTMENT OF STATE

K. Mathea Falco, of the District of Columbia, to be Assistant Secretary of State for International Narcotics Matters.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

REPRESENTATIVE BLANCHARD ON
SUNSET

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 31, 1979

● Mr. GEPHARDT. Mr. Speaker, last week the Democratic Caucus took a significant step toward meaningful congressional program review when it approved the policy resolution on sunset which Mr. BLANCHARD, Mr. MINETA, and I offered.

This Caucus resolution calls on the House Rules Committee and the Ways and Means Committee to give sunset legislation deliberate and timely consideration in this Congress. In his speech during discussion of the resolution, Mr. BLANCHARD outlined the clear need for genuine congressional budget review and how sunset responds to that need. I would like to bring his remarks and the text of the resolution to the attention of my colleagues:

SUNSET SPEECH GIVEN TO THE DEMOCRATIC
CAUCUS

Mr. Chairman and my colleagues. This resolution, the Sunset Resolution, will make our caucus relevant to several important issues of our time—issues which all of us must grapple with in the months ahead. I speak of: (1) budget prioritizing (2) government spending (3) inflation (4) runaway bureaucracy and (5) tax reform and tax fairness.

Our resolution will put the Caucus on record toward finding a solution to approaching these problems.

What is the reality here? The reality is:

800 of 1200 federal spending programs are permanent and never get reconsidered or reviewed by themselves or in relation to each other. The programs have bound the Congress for generations unless we act.

78 percent of the federal budget is uncontrollable—a significant part of that is due to permanent programs unless we act.

A healthy chunk of tax expenditures, tax expenditures which by the way add up to at least \$125 billion a year, are permanent tax expenditures, and are never reconsidered or reviewed unless we as a Congress act.

Our sunset resolution urges the House Rules Committee to take this subject up and to try to report meaningful legislation which will require a workable and orderly review of federal spending programs and tax expenditures.

The idea of such an orderly review of Federal spending programs has been embodied in several bills, at least one of which we cosponsored contained 180 cosponsors in the last Congress. Our bill, along with the Senate companion sponsored by Senator Muskie, has received hearings before 4 different House panels over the last two Congresses. In the late moments of the last session the U.S. Senate passed the bill by a vote of 87-1. Presently the major sunset bill, the Sunset Act of 1979, is H.R. 2 and S. 2.

One of the major problems in dealing with serious program review legislation is that sunset usually is taken up by the Congress so late in the session that it makes it difficult, if not impossible, for legislative action. The time to move is now.

I think almost everyone agrees that we

need to get a grasp on the Federal budget and begin to shape tomorrow's budget priorities. For those who would like to see spending curtailed, how are we going to get a handle on the overall spending level of our Federal budget without looking at the parts of the budget? For those who would like to see new initiatives, how are we going to make room for new initiatives without raising taxes if we do not begin to review what's already in place in the Federal budget?

The frustrations relating to those questions and the issues of government spending, inflation and bureaucracy have led to a number of haphazard responses by the Congress and by the political community as a whole.

We are all familiar with the appropriations bills rider technique that we continually hassle over every June.

Then, of course, there are the meat-ax cuts of appropriation bills offered at the last minute and which are usually not carefully considered.

In addition we are familiar with various referendum proposals which seek with one fell swoop of the pen to rectify years of problems relating to the size and cost of government.

One reason these measures are considered, and even sometimes adopted, is that there is no process to deal with a goodly part of the federal budget and, yet, no one honestly wants to say that the Congress is too busy to look at the programs under our jurisdiction.

The question ultimately is—whether we are going to approach this subject in a rational, orderly way and honestly try to set up a process in this Congress to do something about it, or whether we let all sorts of public movents and pressures stampede us into haphazard, ill-considered action.

The question really is whether we as the majority party are going to govern or grovel.

I believe our Sunset Resolution is a step toward responsible government and I respectfully urge its adoption.

DEMOCRATIC CAUCUS RESOLUTION ON SUNSET

Offered by Mr. Blanchard, Mr. Mineta, Mr. Gephardt, Mr. Wirth, Mr. Howard, Mr. Wolff, Mr. Steed, Mr. Udall, Mr. Reuss, Mr. Murphy of Pennsylvania, Mr. Bedell, Mr. Applegate, Mr. Gore, Mr. Mazzoli, Mrs. Spellman, Mr. Kildee, Mr. Carr, Mr. Oberstar, Mr. Pithian, Mr. Vento, Mr. English, Mr. Santini, Mr. Glickman, Mr. Dicks, Mr. Hefel, Mr. Pease, Mr. Lehman, Mr. Markey, Mr. Montgomery, Mr. Seiberling, Mr. Ambro, Mr. Anderson, Mr. AuCoin, Mr. Pepper, Mr. Downey, Mr. Russo, Mr. Sharp, Mr. Traxler, Mr. Patterson, Mr. Edgar, Mr. Hubbard, Mr. Daniel, Mr. Ertel, Mr. Nowak, Mr. Daschle, Mr. Mottl, Mr. Albosta, Mr. Bennett, Mr. Kostmayer, Mr. D'Amours, Mr. Benjamin, Mr. Hughes, Mr. Brodhead, Mr. Beard, Mr. Edwards, Mr. Fisher, Mr. Fuqua.

Be it Resolved that the Democratic Caucus strongly urges the House Committee on Rules to consider and report to the full House of Representatives before the end of the first session of the 96th Congress, legislation to require the review and reauthorization of all federal spending programs.

The legislation should:

1. Establish a review and reauthorization schedule—cycle for all federal programs and limit authorization of programs for no longer than that cycle.
2. Terminate funding for any program which Congress does not reauthorize.
3. Require review and reauthorization of similar programs at the same time and in relation to each other.
4. Establish an explicit, but flexible, re-

view procedure for committees to follow in determining the appropriate funding level for programs they authorize.

5. Exempt from the reauthorization requirements certain federal retirement programs to which individuals have contributed in anticipation of later return.

Furthermore, be it resolved that the Democratic Caucus urges the House Ways and Means Committee to consider similar legislation which would apply to tax expenditures.

Adopted 1-24-79. ●

TRIBUTE TO PETER CHAHALES

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Ms. FERRARO. Mr. Speaker, I would like to take this opportunity to honor an outstanding citizen of New York's 9th Congressional District. Peter Chahales is a man whose accomplishments and service deeds are extended and varied. Through his long and distinguished years of service to his community and city, Peter Chahales has earned the respect and esteem of the many people who have been touched by this man's generous spirit.

Peter Chahales stands as a towering figure in his community of Maspeth, N.Y. Known as the mayor of Maspeth, Mr. Chahales is a member of the International Locality Mayors Association. For 10 years he served as the chairman of the Maspeth Planning Commission. Additionally, he was a former president of the Maspeth Chamber of Commerce.

Peter Chahales' service extends well beyond the sphere of his home community in Maspeth to encompass his larger community of New York City. He is a man who has responded to the many needs of my city. Mr. Chahales was the originator of the New York City fund for widows of fireman killed in the line of duty. For 10 years Peter Chahales has taken a keen interest in the welfare of the children of New York as vice chairman of the New York City Police Athletic League. The Lighthouse for the Blind and the Cancer Society have been major beneficiaries of his time, energies, and considerable fundraising talents.

Mr. Chahales is a man who is proud to keep his Greek-American ethnic heritage alive and prospering. He is currently serving as the president of the Karabatois chapter of AHEPA in Queens County. Recently he went as a delegate to the national convention of AHEPA in Athens. He is also a founder of the Saint Paul's Society in the New York City Police Department.

There is much more, but with people like Peter Chahales there usually is. He is a dedicated family man who will be celebrating his 33d wedding anniversary with his lovely wife Ethel this week. Men such as Peter Chahales are all too rare, it is through their service to us all

that our lives are made a bit more complete.●

TRIBUTE TO DR. THOMAS O.
HILLIARD

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. DELLUMS. Mr. Speaker, Dr. Thomas O. Hilliard, a licensed clinical psychologist, has had a distinguished career in public service, private practice, community service, service to professional associations, and as a leader in all of these areas. Dr. Hilliard's unique service record has enabled him to have a major positive influence in all of these areas of service. He is an outstanding teacher, a consultant who is in great demand, an activist in the development of public policy in the human services area, and a role model for many who aspire to be of service to their fellows. Dr. Hilliard has been courageous and selfless in responding to numerous calls to serve in difficult and delicate problem areas. Functioning as he does in areas which do not receive widespread publicity, many of his most significant contributions to the advancement of his field, his people, and the general cause of human rights and justice have not been widely recognized. So many people who know of Dr. Hilliard are aware only of his excellence in the area in which they have interacted with him. Very few have a comprehensive sense of the quality, depth, and breadth of his contributions. It is for this reason that a special effort to recognize and the express appreciation for Dr. Hilliard's work is long overdue.

At this point I include the following resolution:

Whereas Dr. Thomas O. Hilliard is a nationally recognized psychologist, Vice President of the Urban Institute for Human Services, Inc., and community servant, and

Whereas he has distinguished himself in the San Francisco Bay Area, the State of California, and indeed in the Nation as a leader in the development of public policy, and

Whereas he has made significant contributions to the development of forensic psychology through his participation in the first use of psychologists as consultants in the Jury Selection process in the Angela Davis trial, through his expert testimony in the case of the San Quentin Six on psychological damage because of solitary confinement as cruel and unusual punishment, through his expert testimony on diminished capacity in the Klu Klux Klan trial at Camp Pendleton, through his development of creative conceptions in psychology and the law in his highly regarded course in psychology and the law at —, through his substantial contributions to psychology and the law in the professional literature, and

Whereas, he has made further contributions to the development and application of the field of psychology through his role as a founder of the National Association of Black Psychologists as his Chairmanship of that association, through his service on the national policy board of the Association for the Advancement of Psychology, the political arm of professional psychology, through his

role in such conferences as the American Psychological Association's Vail Conference to define approaches to the training of minority psychologists, through his efforts to establish advisory linkages between the Association of Black Psychologists and the National Black Congressional Caucus, through his work as a senior researcher in the field of psychology including his current direction of a national evaluation project for the Association for Children, Youth and Families, and

Whereas, he has distinguished himself as a practitioner in community mental health through his service as a Director of consultation and education in San Francisco, and as Director of a Berkeley Head Start Evaluation project, and

Whereas, he has been in demand as a consultant, a major speaker, a presenter at many conferences, and

Whereas, he has a clear record of support for humane causes and a selfless devotion to the cause of human freedom and dignity,

Be it therefore resolved that Thomas O. Hilliard be duly recognized for the contributions he has made.●

RECTIFYING ARTIST'S ESTATE
TAXES

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. RICHMOND. Mr. Speaker, yesterday I introduced a bill which would save the heirs of artist's estates from deprivation, shame and possible bankruptcy.

Under the present law if you inherit 1,000 pieces of art work valued at \$1,000 each you will also inherit an estate tax between \$118,000 and \$308,000. Should you decide to sell some of the art work to pay this tax, you will pay no income tax if you sell the work for \$11,000 a piece or less. If you sell one of the pieces for \$1,000 you will only pay income tax on the \$100 profit.

In 1980 the tax law is scheduled to change and that change, entitled "The Carryover Basis Rule" will have drastic implications on the heirs of artist's estates. Under the carryover basis rule, even though you inherit 1,000 art works valued at \$1,000 each and still inherit the same basic estate tax between \$118,000 and \$308,000 as before, you will also have to pay income tax on everything over the cost of materials in the work. Hence, if you sell one of the paintings for \$1,000 (which you were taxed on originally) you will pay ordinary income tax on everything but the cost of the paint, canvas, frame, and so forth—possibly \$20. (Now you will also pay tax on the "income" of \$980). My good friend and counsel, William H. Behrenfeld, an attorney in New York, has prepared a chart, which follows my statement, which explains these tax consequences in detail.

Realizing the tax consequences to their heirs, many artists are destroying their work before they die. Since I originally introduced a similar bill to this one in the 95th Congress I have received hundreds of letters from artists throughout the country informing me that they have already destroyed their work or plan to do so in the near future.

Arizona artist Ted De Grazia recently burned \$1.5 million worth of his paintings, because his wife could not afford to inherit them.

Artist/cartoonist Charles Saxon has a provision in his will that requests his wife to destroy his unsold artwork so she will not be driven into bankruptcy at the time of his death.

What a terrible loss to all citizens, the families of artists who would like to keep the artwork in the family, and especially to the artist who has struggled to develop his creative talents only to be forced to destroy his own work to avoid placing his family in serious financial jeopardy following his death.

Ironically, when an artist is alive and wishes to contribute his art work to a museum, library, hospital or any other nonprofit, tax exempt organization he can only take the cost of materials in the work as a tax deduction. Yet when he dies the very work which he could not previously give away is taxed at its full fair market value.

Because artists are no longer donating their work to museums and libraries and because the work that does remain is sometimes being destroyed, America is losing an entire segment of contemporary art work. This is a national disgrace and tragedy and we must find a way to stop it immediately.

The bill I introduced, to rectify artist's estate taxes, H.R. 1720 allows that the executor (heir) of an artist's estate have the option of whether or not to accept the work at its fair market value or to accept it (for estate tax purposes only) at the cost of materials in the work itself.

In deciding which method to use, the executor would compare the cost in estate taxes and income taxes. Consideration then could be given to the financial ability and cash availability of the estate and the heirs. The known wishes of the artist and the desires of the heirs to retain the inheritance or sell it would be ascertained. The tax and/or financial benefits of selling immediately or in the future could be determined.

The marital status of the artist might be a deciding factor. Under present law, an estate of approximately \$400,000, with at least \$250,000 left to surviving spouse, would incur no federal estate tax. Would it not be wiser then, to value at the market for estate tax purposes? Therefore, when items are sold, any income tax due would be based on the difference between such value (or some stepped up value on decedent's cost when carryover basis becomes law in 1980) and the selling price, a much smaller amount than if the value at death had been the cost of materials.

If in a large estate (over \$425,000) or if the deceased artist was not married at the time of his or her demise and had an estate over \$175,000 the executor would probably elect to include the paintings at cost, and thus eliminate a distress sale of the paintings to raise the cash for estate taxes. Even though it may cost more in income taxes when the paintings are eventually sold under normal circumstances the heirs will probably be

able to sell the paintings at a higher price.

There are many more tax implications that would have to be considered by the executor in order to determine the most advantageous course to follow. Having gathered all the necessary particulars, a knowledgeable election would then be made by the executor for the best advantage in each individual case.

It is clear from the legislative history of both the 1950 enactment of the Internal Revenue Code and the 1959 amendments, that it was never legislative intent to penalize the estates and heirs of qualified creative artists.

Naturally under the proposed revision, if the heirs sell the art work they will still pay an ordinary income tax on the total sales price over the basis they chose at the time of the inheritance.

Basically, the bill stops artists from being forced to destroy their work and stops the artist's heirs from being forced to sell the art work to pay the taxes.

Several artists, arts organizations and concerned citizens have written me in support of this legislation. Since these individuals more than adequately describe the benefits of this legislation, and the financial burdens under the current estate tax laws, I would like to insert their comments into the RECORD:

COMMENTS BY ARTISTS AND CULTURAL REPRESENTATIVES ON THE BILL TO RECTIFY ARTIST'S ESTATE TAXES

This bill is essential to family security and piece of mind of every creative artist in the country. Evaluating artists' work at cost solves the agonizing problem of heirs having to quickly sell the art to pay the estate tax.

RUBIN GOREWITZ,
President, Artists' Rights Today.

The irony of an artist not to be able to afford being alive or dead can be creatively altered by the passing of your bill. Everyone survives in this change in the law, even the deceased is comforted. Thank you.

ROBERT RAUSCHENBERG,
Prominent American Artist.

The present estate tax situation is a glaring inequity. It seems to me an appalling contradiction that an artist giving a gift of his or her own work to a public institution may deduct only the cost of producing that work. (Usually about \$75.) At the artist's death that same work is then assessed at fair market value and this figure often reaches into the hundreds of thousands of dollars. The real losers in this situation are our public institutions, libraries, and museums and thus the American people. If we are to believe that the arts are a national resource, let us encourage them with this measure.

JAMIE WYETH,
Prominent American Artist.

Artists' Equity Association, the national organization for professionals in the visual arts, endorses H.R. 7896 so that created art work may be valued for estate tax purposes at the costs of artists' materials. In addition to relieving the punitive burden on artists' heirs, the legislation would, if enacted, bring the code into line with those portions that pertain to deductions for casualty losses and charitable donations.

GILDA ELLIS,
President, Artists' Equity Association.

I want to thank you for writing this bill to enable the artist at his death to leave his work evaluated at cost to his heirs. This would help stop the confusion between esthetic value and money, so that after death each painting could achieve its own value and be taxed as it is sold. Thomas Hart Benton whose murals adorned the Truman Library burned many of his works so his family wouldn't inherit an immediate, unusual tax

burden. The passing of this bill will help normalize a stricken cultural situation.

JAMES ROSENQUIST,
Prominent American Artist.

An unfair contradiction exists in present tax law. In an artist's estate, his work is taxed at full value, but should he donate his works to an institution during his life-time, the works are valued essentially at zero. One end or the other of this contradiction should be changed. I am very much in favor of H.R. 7896.

ROY LICHTENSTEIN,
Prominent American Artist.

As an artist deeply concerned about the welfare of my family, I heartily endorse this bill. Being an artist is a risky and uncertain occupation. I am disturbed that I can contribute to a museum and only deduct cost of materials. If I give the work as a gift, I must pay a gift tax. I cheerfully pay all my taxes when I sell my work. When I die, my heirs under present law would be forced to pay large taxes on unsold works. Your bill redresses an unfair situation and I wish you great success in your endeavors.

GEORGE SEGAL,
Prominent American Artist.

These four bills will rectify current tax structures which discriminate against artists and will provide some relief to the pressing financial burdens facing individuals and cultural institutions. I hope that my colleagues in Congress will act swiftly to pass these bills putting to an end glaring errors in the current tax laws unfairly penalizing artists and art institutions and insuring that the American people will have the opportunity to enjoy the creative efforts of contemporary artists.

I urge my colleagues to join with me in insuring that the tax inequities I propose to eliminate are ended in the very near future.

	Artist dies in 1979		Artist dies in 1980 (1)	
	Single	Married	Single	Married
Gross estate after deduction of:				
Administration expenses.....	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Marital deduction.....		500,000		500,000
Adjusted gross estate.....	1,000,000	500,000	1,000,000	500,000
Total Federal and State estate taxes.....	308,000	118,000	303,000	113,000
Total Federal and State income taxes on sale of assets to raise funds to pay estate taxes.....	0	0	1212,000	179,000
Total taxes 1st yr.....	308,000	118,000	515,000	192,000
Income taxes 2d yr.....			148,000	55,000
Subtotal.....			663,000	247,000

	Artist dies in 1979		Artist dies in 1980 (1)	
	Single	Married	Single	Married
Income taxes 3d yr.....			104,000	39,000
Subtotal.....			767,000	286,000
Income taxes 4th yr.....			73,000	27,000
Subtotal.....			840,000	313,000
Income taxes 5th yr.....			51,000	19,000
Subtotal.....			891,000	332,000
Income taxes 6th yr.....			36,000	13,000
Total taxes.....	308,000	118,000	927,000	345,000

* No income tax because of step up in basis of art work to estate value.
† Income tax at ordinary rates—used a flat 70 percent of prior years tax.
Assumptions: (1) The carryover basis is reinstated in 1980. (2) All art work produced after

1976. No consideration for other income earned by estate or heirs. (4) No consideration for estate tax added to basis. (5) Art work did not increase in value after death. (6) State estate tax equals credit for State tax on Federal estate tax return. ●

CONGRESSMAN DERWINSKI "TOLD US SO" ON GENERAL MIHAILOVICH

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. ASHBROOK. Mr. Speaker, I wish to call the attention of the Members to a book review by Willard Edwards, which appeared in the January 27 edition of Human events, a Washington-based publication. Mr. Edwards was a Washing-

ton bureau correspondent for the Chicago Tribune from 1953 to 1973. In reviewing the book, "Patriot or Traitor, the Case of General Mihailovich," he comments on the controversial decisions made during World War II. Mr. Edwards' experiences in covering the Washington scene during that time, certainly equips him to effectively review this book.

Our colleague, Ed DERWINSKI has introduced H.R. 262, which would authorize the construction of a monument in honor of Gen. Draz Mihailovich. This monument would be erected by the American airmen rescued by General Mihailovich as an expression of grati-

tude to the man who saved their lives during World War II.

Therefore, keeping in mind that many of the international problems that face us today can be traced from the judgments and decisions made during World War II, I believe that this book review is most timely and would be of interest to the Members. Therefore, I wish to insert it at this point:

AN IN-DEPTH INVESTIGATION INTO "THE CASE OF GENERAL MIHAILOVICH"
(By Willard Edwards)

In concluding his perceptive 70,000-word analysis of a perplexing World War II tragedy, David Martin says there are still many

mysteries to the story of Draja Mihallovich and more research needed before the tale can be told in its full amplitude and all its complexity.

Martin is too modest. By pulling together this heavily documented volume of evidence threatened with oblivion—testimony by American officers, hitherto hidden records of the British Foreign Office—he has removed most of the mystery. His research is so impressive that it challenges the bias which has tinged many previous accounts of this dramatic chapter in the history of wartime Yugoslavia.

Martin, a Capitol Hill expert on subjects related to national and public security, was in on the story from the first. He served in 1946 as executive secretary of the New York-based Committee for a Fair Trial for Mihallovich, headed by leading American citizens spanning the political spectrum, which held its own inquiry into the case. Two-thirds of the book contain the transcript of this investigation.

The result is a shocking narrative, invaluable to historians, of abandonment by the British and American governments of the commander of field forces of a government recognized as an ally by both nations.

Soon after the invasion, occupation and partition of Yugoslavia by the Axis armies in April 1941, the world became conscious of the name of Mihallovich as the first great resistance leader of occupied Europe in World War II. Then an obscure colonel in the Yugoslav army, he fled to the mountains and began organizing a guerrilla force which eventually reached a strength of 150,000.

Mihallovich and his Chetniks were alone as a foe to the Germans until Hitler attacked Russia on June 22, 1941. The Soviet Union issued a summons to Josip Broz, secretary general of the Yugoslav Communist party, who took the *nom de guerre* of Tito, and organized an army of Partisans. For a brief period, Chetniks and Partisans were united against the Germans, but the aims of Tito and Mihallovich were totally contradictory. Tito wanted communism for his country (his own brand, it later developed), while Mihallovich hated communism as much as he hated Fascism. From 1941 to 1944, the two rivals engaged in civil war.

The Western Allies initially supported Mihallovich and sent liaison officers to his headquarters. He responded by saving the lives of more than 500 American airmen and a large number of other Allied personnel, rescuing them from capture by German patrols. He continued to strike damaging blows at the Germans even after, but for reasons then cloaked in mystery, Great Britain and the United States abandoned him in favor of support to Tito, beginning late in 1943.

Mihallovich was captured in March 1946 by the Tito government, and it was announced that he would be brought to trial on charges of treason, collaboration with the enemy and other war crimes. None questioned that such a trial would result in a guilty verdict and the death penalty.

A torrent of protest, led by the Committee for a Fair Trial, swept the United States. The State Department was prodded into proposing to the Yugoslav government that it permit the testimony of American officers who had served with Mihallovich and many of the hundreds of airmen who had been saved by him. They wanted to swear that they had seen him in action, knew him as a patriot, not a traitor, one who had fought the Germans, not collaborated with them.

This request was coldly rejected by Tito. Mihallovich was put through a mockery of a trial, found guilty and executed by a firing squad July 17, 1946, amid a chorus of disapproval from the civilized world.

The United States, two years later, in a curiously furtive manner, expressed its official opinion of this political murder. President Truman posthumously awarded Mihallovich the Legion of Merit in the degree of Chief Commander, citing him for materially contributing to the Allied cause and as an instrument in the final Allied victory.

But this tribute, amazingly, was stamped "secret" and remained so for almost 20 years until it was brought to light by Rep. Edward Derwinski (R-Ill.). He forced the State Department to declassify the award and citation.

Publication of this citation in 1948 would, of course, have been highly offensive to Tito. The American government was now lauding his victim as a brave and faithful ally. The State Department, always alarmed lest Communist feelings be injured, successfully suppressed the Truman citation until 1967.

Why was Mihallovich betrayed? This question is meticulously examined by Martin who found British archival documents which shed new light on the abandonment. He discovered evidence pointing to a deliberate slanting of British intelligence, designed to picture Mihallovich as a collaborator. The British Broadcasting Co. cooperated by broadcasting "monumental inaccuracies," even giving credit to the Partisans for damaging Chetnik strikes against the Germans. MI6, the British secret intelligence service, later to be revealed as a target of Soviet agents, suppressed field reports favoring Mihallovich and substituted pro-Tito dispatches.

Churchill was persuaded that Mihallovich should be abandoned and Roosevelt, somewhat reluctantly, agreed. Early in 1944, Mihallovich found himself deserted by his former allies. Tito was thenceforth the recipient of massive military aid.

Only the Germans were never fooled about the menace of Mihallovich as a deadly foe. They were still offering in mid-1944 a reward of 100,000 Reichsmarks in gold for his capture, dead or alive. ●

NO ROOM IN THE LIFEBOATS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. CONYERS. Mr. Speaker, there is a growing awareness in America today that we are living in the midst of fundamental, far-reaching changes in the nature of our economy, in our relations with other nations and, indeed, in our value system itself. In less than a generation we have moved from an age of apparent abundance to an age of seeming scarcity, from predominance in the world to a position of uncertainty and drift.

I wish to bring to the attention of my colleagues an article on the meaning of these changes, their implications for our lives, and on intelligent proposals in dealing with them. The following article, "No Room in the Lifeboats" is authored by Richard J. Barnet, whose books and articles (Global Reach, Roots of War, The Giants: Russia and the United States), have already become classics for understanding contemporary affairs. Mr. Barnet's analysis of the intimate connection between national security and

economic well-being warrants close reading by us all.

The article follows:

NO ROOM IN THE LIFEBOATS

(Richard J. Barnet)

The most striking aspect of Jimmy Carter's 1979 budget is its similarity to the budgets of Richard Nixon and Gerald Ford. All three are premised on a new brand of economic "realism" that is imposing severe political strains on the country and is challenging some of our fundamental ideals. Austerity, lowered expectations and limits to what government can do have been the ascendant political slogans of the 1970's. Sluggish growth, inflation and high unemployment are no longer regarded as periodic problems to be remedied by swift government action but are now accepted by both parties as chronic conditions of our economic life.

In a little over 10 years the myth of abundance has been replaced by the myth of scarcity. The world is running out of oil; experts disagree only as to how fast. The United States' dependence on critical minerals is increasing dramatically, and so are prices. Crippling shortages of oil, natural gas, food and water, even breathable air, are now a familiar part of the worldwide political landscape. (In many poor countries there is even a grave shortage of firewood, their principal energy source.) Some scarce items seem almost inexhaustible but politics and economics conspire to keep them out of reach—at the right place, at the right time, at the right price. Each shortage tends to aggravate others. For example, the more dependent we are on foreign oil, the more food we must export and the higher the price of groceries in the supermarket. Because of drastically higher costs of producing and distributing critical resources, and of managing their ecological side effects, corporations are finding it ever harder to develop profitable investments. Thus the worldwide "capital shortage."

The fear that we have come to the end of the ever-expanding frontier of economic growth challenges one of our most cherished political beliefs. The era that began in the New Deal was rooted in the Keynesian notion that unrestricted growth is the foundation for a democratic political system and a more or less egalitarian distribution of our national treasure. The bigger the pie, the bigger the crumbs for those who did not work but did get to the unemployment office. But the growing awareness of the physical and economic limits to growth has undermined the very basis of Keynesian liberalism and is calling into question the basic promises of the American system.

TOWARD A LIFEBOAT ETHIC

There has always been tension between America's economic and political systems. The promise of politics is one man, one vote—the chance for every voting American to participate in the basic decisions that affect his life. At the heart of the economic system, however, is the theory that inequality is a spur to progress. To stimulate economic growth, society should reward those who produce, and if nonproducers vote themselves food, housing or services that they have not "earned," sooner or later the economy will collapse from inflation.

The Age of Scarcity, it seems, is heightening the tension. In a survey of attitudes of United States corporate leaders, economist Leonard Silk and political scientist David Vogel find strong expressions of doubt about whether the United States can any longer afford a one-man, one-vote system. Samuel Huntington, a principal adviser to the National Security Council, warns against the "excesses" of democracy—the problems of

government are too complex to accommodate the conflicts inherent in democratic rule. Elsewhere in the world, the collapse of democratic experiments and the rise of authoritarian regimes lend support to the increasingly fashionable view that strong rule, not democracy, is the wave of the future.

In an age of slow growth, the cost of natural resources is going up and the value placed on human life is going down. This, indeed, is the heart of the global human-rights problem. The expendability of human life and the waste of human potential are direct consequences of the sort of economic development being pursued in most parts of the world. An increasing proportion of the world's population is becoming irrelevant to the productive process. Automation has dramatically reduced the number of hands needed to make what the world wants, and because of the new mobility of the post-World War II multinational corporation, many of the jobs that remain are concentrated in low-wage enclaves in a few poor countries. The concentration and mechanization are drawing millions of people from subsistence farming into the international money economy in which they will have no role—either as producer or consumer—for without jobs they do not have the money to buy the food they once raised themselves.

Though it's fine to say that resources should go to those who produce, fewer and fewer have the chance to be regarded as productive. In large part because of resource scarcity and the population explosion, the reserve army of the unemployable is becoming so vast—perhaps as many as a billion—that it not only keeps wages depressed but also begins to create social instability. What to do about the surplus population, to use a phrase from Dickens's time, is the No. 1 problem for political leaders around the world, and in a condition of scarcity, managing societies made up of millions of people without jobs, money or hope invites draconian economics and brutal politics.

So it is not hard to understand why a new antidemocratic, antihuman ideology is emerging under the banner of fiscal soundness. Intellectual careers are launched with metaphors that evoke the new realism, such as "triage," a strategy for spending limited resources on those who can be more productive and for consigning those who can't to various forms of "benign neglect," which for hundreds of millions means starvation. Others preach the "lifeboat ethic," a modest proposal in which only the poorest billion are pushed out of "spaceship earth" to make room for the rest. Only a generation ago Americans were appalled by the genocidal mind-set behind Hitler's project for ridding the globe of inferior races. Now it is becoming almost fashionable here to suggest that too many people are getting in the way of society.

In the United States, the consequences of the "lifeboat ethic" are already visible: the vast wasteland of decay in every major city in which the poor are concentrated; the depressed rural areas no longer needed to produce the nation's food; the seven million Americans who cannot find work.

We are reaching the point where some of our most basic beliefs about human life will have to be tested. We will be forced either to bring our economic institutions into line with the fundamental humanist and democratic values we profess to or openly reject them in favor of the lifeboat ethic.

THE LIFEBOAT SCENARIO

The lifeboat scenario is not hard to imagine. In the opening moments, "Looking out for No. 1" replaces "E Pluribus Unum" on our coins. The State Department once again reminds the world of what Lyle P.

Schertz of the Department of Agriculture calls "the brutal facts of the world food market"—that the United States controls most of the spare grain that could be used to feed the hungry and that the United States aggressively uses its food, in the words of former Secretary of Agriculture Earl Butz, as "a tool in the kit of American diplomacy." American diplomats repolish those vague speeches about economic justice, while they continue to oppose any significant changes in the global distribution of wealth and power. The huge debt owed by third-world countries to international lending agencies and to private banks is used as leverage to control their internal development and keep them from becoming international troublemakers. The International Monetary Fund steps up what Arthur Burns called a "new assertiveness in monitoring the economic policies of its members" and offers its "certificate of good standing" only if the debtor countries practice the "responsible" economic policies that keep the poor hungry—by freezing wages, cutting imports and private consumption and eliminating social services and subsidies.

These policies can be practiced successfully only in an atmosphere of mounting repression, because there will be more than half a billion persons in the world actually starving or at the edge of starvation, and not all of them can be relied upon to die cheerfully. "Death squads, mass-production torture chambers and military rule become indispensable aids to orderly government."

This scenario is in reality a continuing war of rich against poor. Sometimes it takes the form of conflict between the United States and the government of a third-world country. Sometimes it takes the form of a collaboration between the governments to prevent a poor majority from gaining access to resources or political power. In the future, it will take the form of hotter and hotter competition among the industrialized countries themselves, as they become more and more dependent upon the third world for raw materials. The turmoil offers, among other things, the chance to the Soviet Union to play a dangerous geopolitical game.

The strategy will of course require ever higher military budgets, for which we will continue to justify the starving of our cities, the lack of investment in basic human needs and the abandonment of the "unemployable"—the elderly, the young, the poor, the disadvantaged minorities and other nonproducers in the name of "national security."

The lifeboat ethic is by definition the abandonment of the goal of community, which Webster's New International Dictionary calls a body of people with common organization and common interests. The politics of community is based on the idea that everyone is a member to whom responsibilities are owed; the politics of austerity is a process for deciding who shall live. In a place like Chile and in many other countries in which national economic policy determines who shall eat, this is literally true. In advanced countries, including the United States, the politics of austerity determines at the very least who among us shall be sentenced to years without work or hope.

WILL THE LIFEBOAT WORK?

Will the strategy work? Can affluent and middle-class Americans survive in a world in which hundreds of millions of men, women and children starve to death each year, tens of thousands more are slaughtered in the interests of social peace, and tens of millions of Americans live in poverty? Military defense of a sort is possible. The world's poor who "want what we have," as Lyndon Johnson once put it, are unlikely to take

over our skyscrapers, factories and suburbs. The fortresses can stand a long time.

But life will not be pleasant. We are already in the age of "monkey-wrench politics" in which a few terrorists can transform comfortable ways of life in the most advanced industrial societies—especially the most advanced. There is a greater degree of international anarchy now than at any time since World War II. Thirty-five nations have nuclear weapons or are in a position to acquire them rapidly. A new international economic order is coming into being to accommodate the new oil dynasties of the Middle East, but it is not the order the poor countries want. And the process by which the dead structure of colonialism is being replaced is already a form of warfare—struggles for power in the new states carved out of the old empires.

As tension and desperation mount abroad, the political struggles will be played out in the United States, whether it is by Cuban exiles, Iranians, Palestinians, Chileans, Ghanaians, South Moluccans or any one of a thousand armed groups contending for power somewhere in the world. Bombings, elaborate security precautions against bombings, kidnappings and sabotage of the extraordinarily vulnerable systems that keep our complex civilization going have in the last 10 years taken away some of the pleasure of living in the rich countries. The anger and fear that random violence elicits produce inevitable demands for less democracy and for more executions, as we have recently seen in West Germany and in New York City election rhetoric.

The recent export of cholera to developed countries in Europe is a taste of what we can expect here if famine and disease continue to overtake the people in vast areas of Africa, Asia and Latin America. The illegal immigration of millions of workers from Latin America and the Caribbean, which is already causing serious problems in parts of the United States, will increase as long as these poor countries are unable to feed and to employ their people. We do not have the technology to immunize the United States from the effects of world catastrophe—debt default, economic collapse, disease, refugees, terrorism. There is, it would seem, no way of inviting a billion or more people around the world out of the lifeboat without running great risks that they will rock it and sink the rest of us.

To try to keep the United States secure in such a world will lead to a loss of democracy. When an economic system cannot meet the goals of a democratic political system by supplying the needs of the majority, then either the one system or the other must change. In the 20th century, fascism in various guises—usually, in the West, taking the form of a marriage between Big Government and Big Business to promote the interests of a shrinking minority—has, indeed, been a conventional therapy for sick economies.

THE AMERICAN ALTERNATIVE

Instead of submitting to the seductive lifeboat ethic, we could instead affirm the basic beliefs on which the society was founded—respect for human life, respect for human dignity, democracy and justice—and resuming the building of an American community which cannot be built except in the context of a world community. The idea of world community is meaningless unless it starts from the premise that every man, woman and child on earth is a member. This strategy would set forth a practical definition of the right to life and a commitment to support the political and economic institutions that would make that right real.

At the very least a worldwide definition of

basic needs would include following: (1) Right to minimum calories to maintain health—about 1,900 a day, 2,300 for an adult working male (by these criteria about half the world's population is seriously malnourished). (2) Right to clean drinking water (about 1.2 billion persons do not have access to sanitary water). (3) Basic health services, maternal and child care, instructions in elementary sanitation and nutrition (about 800 million have no access to such essential services). (4) Shelter, a decent minimum environment in which to live free of disease, vermin and exposure (about 800 million are without adequate shelter). (5) Basic education, a chance to learn enough to realize one's potential and to play a useful role in society (about 1.1 billion school-age children and adults in the world are illiterate). In 1944, Franklin Roosevelt proclaimed such basic economic rights as fundamental to American democracy, but the goal was abandoned a long time ago.

A strategy for economic justice in a time of scarcity cannot be a giant welfare program, because there is not enough money in the world to meet basic human needs unless human energies are mobilized in new ways. If the ethic of a modern zoo replaced the lifeboat ethic, more physical requirements would be met but not political and spiritual needs—especially the need for personal dignity and meaning to one's life and the chance for political participation in building society.

Thus, it is essential that the strategy must also offer a new vision of how political institutions can be created or regenerated to excite imagination, mobilize energies and encourage the contribution of free individuals to the common good. Fortunately, such ideas are percolating among a new generation of scholars and activists in the United States. The work of the Federal Budget Study of the Institute for Policy Studies, the Democratic Socialist Organizing Committee, the New Democratic Coalition, the Conference on Alternative State and Local Public Policies, the Exploratory Project on Economic Alternatives and other groups experimenting with new organizational forms and technologies makes it possible to avoid the trap of the lifeboat ethic and to establish a new set of priorities and programs for re-creating an American community within a just order.

In the United States, we could start by re-defining "national security" to make the security of local communities a prime national goal. Individuals derive their sense of personal security in large measure from the security that their city or town can provide. National security has little meaning if the local economy cannot provide jobs; if food, shelter, energy, health care and transportation are not available at prices people can afford; and if people are afraid to walk the streets. Youngstown, Ohio, was crippled last year when the board of directors of a distant corporation with no stake in the community suddenly decided to cease its steel operations there—a clear example of the lifeboat ethic. When businesses move on, the community is left to fend for itself. Legislation of the sort that exists in some European capitalist countries is essential to avoid this hardship on both the workers themselves and on the community taxpayers. Companies must be required to give notice, to negotiate the terms under which they leave, to bear a fair part of the cost of the dislocation they have caused. When a Youngstown disaster strikes, the city ought to be eligible for Federal funds with which to buy the facility and to convert it into an enterprise that can employ its citizens and finance essential public services.

Massive investment must be directed to underdeveloped areas of the United States. Not only vast rural areas, but also the

burned-out and decayed centers of our major cities. Federal subsidies and tax policies now favor uneven development. Many communities—New York, for instance—pay more to the Federal Government than they receive. Luxury goods and nonessential military products are subsidized—the famous Lockheed ball-out is just one example—but the Government does little to create a market for essentials—low-cost housing, community health care, food, energy and affordable transportation. An investment program to "balance" the American economy, as the economists Barry Bluestone and Bennett Harrison put it, is essential. This might be accomplished, in part, by developing land banks, as has been done in Western Europe, to assist communities in assembling land for low- and moderate-income people; and by a mortgage bank funded by tax dollars to make it possible to buy and to rehabilitate urban homes. There is no way to integrate wasted areas and wasted people into an American community without specifically directing capital to that end in such a way as to make it possible for people to become productive.

Providing useful work for every American should be the primary purpose of the economy. There are enormous national needs that require major investment and millions of jobs—rebuilding the railroads, developing urban mass transport, cleaning up the rivers, developing new energy sources and technologies. For many such needs a private market does not exist; but we must find the means of allocating private capital to them. The market could be created, as the weapons market is created, by Government policy—in this case, through a national development bank that, unlike the one recently proposed by President Carter, would have substantial funds and would promote community self-reliance and the development of alternative approaches to meet basic needs. However, as important as it is for job creation to allocate more credit to public needs, worldwide unemployment is so serious that it cannot be solved without a new concept of work itself. For one thing, the workweek must be shortened. And we must begin to regard essential services that keep the society together, such as housework, raising children and caring for the elderly, as deserving of decent pay.

Inflation in basic necessities must be stopped. One way to keep energy prices down would be to increase competition in the highly concentrated energy industry through the establishment of Federal "yardstick" corporations that could develop and market publicly owned oil, coal and shale reserves. Another way could be to make funds available to local communities to develop municipally owned solar-energy systems. A third would be to use Federal funds directly to develop new energy sources and supplies, instead of using the funds as subsidies to private firms in the hope that they will do so. Past history suggests that tax incentives do not induce corporations to meet national needs because the financial interests of global companies and the national interest in energy development do not necessarily coincide. The development of more not-for-profit public utilities owned by municipalities would also keep prices down. (Municipally owned electric companies now deliver electricity at rates that are an average of 25 percent less than those of private companies.) There are similar ideas, as the economist Gar Alperovitz has demonstrated, for controlling inflation in the other basic necessities—food, transportation and housing—that take about 70 percent of the paycheck of most Americans.

There are other ways to finance or encourage appropriate economic development without spurring inflation. More long-term government bonds should be floated for public projects, increasing competition with private money-lending institutions; tax loopholes

must be closed, creating needed Government revenue; wasteful Government programs should be cut, including many billions for weapons procurement and the maintenance of military facilities that add nothing to national security.

The United States should reverse policies that help to keep poor countries poor. Between 1950 and 1962 export prices of commodities, the mainstay of most third-world economies, declined 7 percent while the export prices of manufactured goods increased 27 percent. This process neatly guarantees that the poor continue to get poorer; to reverse it, the developed nations must lower the barriers they have erected around third-world trade; they must reduce the debt burden, as Sweden and Canada have done, support certain commodity prices, encourage self-sufficient agriculture—instead of subsidizing multinational corporations to use the land in poor countries for luxury-crop exports while people go hungry because they cannot afford imported food.

The enlightened self-interest of the American people dictates that they help integrate third-world countries into a new international economic order in which they are given a better chance to fulfill their own basic needs. Such an undertaking would, in turn, increase markets and jobs for Americans and would promote the global order necessary for American prosperity.

THE SURVIVABILITY OF DEMOCRACY

It would be naive to minimize the difficulty of reaching these goals. But it would be more naive to pretend that the United States can survive as a democracy without a massive effort to protect and stabilize its own cities and rural communities, without a serious commitment to redirecting the global economy toward full employment and without a new relationship with the world's desperately poor majority.

The next 25 years will not be like the last 25. In a time of scarcity, we can expect slower growth and declining productivity. The ideas of the last 25 years—more welfare, more debt, more subsidies to business to stimulate growth—will not do. They will not, they cannot, advance us toward either a vital American community or world community. The issue is not free market versus big government. The government is already deeply involved in our economy and will inevitably become more so. The issue is what kind of government—unwieldy, bureaucratic or responsive—and what kind of involvement—for whom, on whose behalf. Ways can be found to include citizens in making the crucial decisions about what we produce, what we consume, how we distribute the benefits and how we will relate to the rest of the world. But without a vision of what democracy in the last quarter of the 20th century requires and without the political will to make that vision real, we risk once again losing the last best hope of earth. ●

THE PROGRESSIVE ALLIANCE

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. DELLUMS. Mr. Speaker, at the outset of this new session of Congress, I feel it is important for all of the Members to take the time to reflect on what it is we are here to accomplish.

If in fact we are here to accurately represent the citizens of our congressional districts, and the larger national constituency as a whole, we must assume the responsibility of also acting as the vehicle

toward genuine democratic participation and genuinely effective Government.

I feel that this end is not served by a morbid ideology of pessimism and reaction which is programed by the pseudo new conservatism.

Instead, I believe that the political philosophies which our Government was founded on are the principles which will effect our place as a Nation striving for humanitarianism and hope, and not the morally corrupt politics of regressive and repressive selfishness.

The recently established Progressive Alliance is a coalition of the leaders of more than 60 liberal organizations. I am hoping that my colleagues will reflect carefully on the document released by the Progressive Alliance. It sets forth the goals and ideals which we would do well to adopt as our guide for action in forming the legislation of the 96th Congress.

The statement follows:

TOWARD A PROGRESSIVE ALLIANCE

Statement adopted by representatives to second meeting of the Progressive Alliance, chaired by Douglas Fraser, January 15, 1979, Washington, D.C.

We have joined together to form a progressive alliance that seeks to develop and implement new programs for achieving social, political and economic justice in America.

Citizens must have a real voice in determining their common destiny. They want and require rights and power in their neighborhoods, communities and nation.

As America approaches the decade of the 1980's, there is a growing danger that its potential will be swept aside by its problems. We, representatives of over 100 national organizations, trade unions and citizen groups encompassing more than 20 million Americans and their families, seek to create an alternative to the direction in which our country appears headed.

We live in a new era. Problems seem intractable; solutions remain elusive; and there is little consensus for bold action.

Rapidly changing technology, an unprecedented demand on energy sources, and worldwide economic pressure are creating a new set of challenges.

Like the period between the outbreak of the Depression and the coming of the New Deal, our problems are painfully obvious, while the answers to them are not. Yet too many of our country's leaders are trying to meet these challenges of the present by running away or relying on yesterday's answers. As a result, widespread disillusionment has spread across much of our country, with fewer than half the voting population even bothering to participate in the electoral process. This disillusionment clouds our vision of democracy, with its essential of citizen participation.

The time has come for progressives to define new agendas—for ourselves, our federal, state, and local governments, and our communities. We must develop programs as far-sighted for the 1980's as the New Deal was to become in the 1930's. Progressives provided the creative underpinnings of virtually every significant program enacted in America in this century. Building on past strengths, we seek to create a post-New Deal, post-New Frontier, post-Great Society, post-Vietnam and post-Watergate program.

We gather in this alliance neither to celebrate nor lament the past, but to develop a fighting program for the future—one that recognizes new realities and seeks new solutions.

While we bring our own separate concerns

to this alliance, we share a common belief that our individual problems can be solved only through collective action aimed at creating a society committed to humane, progressive policies. It is our intention to build an alliance of working people, minorities, women, the middle class, family farmers, environmentalists, senior citizens, the poor, the handicapped, educators, students, clergy and lay activists, consumers, and all those committed to human dignity, economic justice, and peace.

The complexity of this task and the very diversity that gives us strength may prevent unanimous agreement on every aspect of a new progressive agenda—yet we share not only a core of belief in common, but also a strong commitment to prevent the forces of reaction from becoming the dominant spirit in American life.

Irrespective corporations and their new right allies have used their money power effectively to insist that the new realities demand sacrifice. When scrutinized, they argue in fact for sacrifice by the many to benefit the few.

The people are victimized not only by the so-called new right and the corporate elite; they suffer also at the hands of insensitive government answering to conservative special interests.

It is the middle-class Americans—our working families—who are told to tighten their belts. It is the poor who are told to survive on even less; the senior citizens who must make do; the minorities who have to wait. Americans must live with the pollution of their environment, the corporate extremists argue. We can't afford to minimize exposure to unhealthy workplaces now, they say. Energy costs must skyrocket; taxes must plummet.

Like aging generals, the right-corporate alliance scours enlistees to be sent into the battles against America's problems. For this war, they choose not the strong, but the weak. Those forced to sacrifice almost always are citizens least able to.

Blacks, Hispanics, Asians, native Americans, and women—those presently at the bottom of the economic ladder—are called upon for disproportionate sacrifice. They are the tragic victims of policies of recession, scarcity and fiscal hate. They must be protected and their concerns met.

The few in our nation who possess power and wealth have dominated their public debate as America tries to grapple with its problems. Corporations and their political allies have, in fact, insulated themselves from sacrifices at the very time they demand it of others.

We ask ourselves what sacrifices General Motors Corporation has made in the new era of austerity? We ask ourselves where the spirit of the new realism is for Exxon? What belt-tightening has occurred among members of the American Medical Association?

If one listens to country club rhetoric, the impression that booms through is that America's problems would evaporate if only we could abolish government regulation. Likewise, cloakroom wisdom and media punditry offer up as America's last, best hope for controlling inflation the gutting of social programs.

These tired, discredited ideas are presented to a citizenry rightfully wary of the future under the banner of the new realism, when they are—in fact—the old selfishness.

We in this progressive alliance have great confidence we can succeed in replacing the politics of meanness dominant today with a politics of hope. Our optimism wells from the fact that we are the majority. The key to opening the door to a just society is our strength in people.

There are more of us than there are of them. More workers. More women. More minorities. More young and old. More working farmers. More middle income people who

are tired of being told by the corporate elite that less really is more.

There have been times when America's political parties have served as organizations through which this majority's aspirations for a better life could be successfully pursued. Today, sadly, both major political parties have ceased to be effective vehicles through which the struggle to create a fair and decent society is being waged. The political parties have become rife with contradictions, representing every position from the extreme right to the progressive left.

Parties possessed moral purpose at various points in our history because they stood behind clear principles. The Democratic Party, for example, served the nation well during the time its progressive adherents successfully pursued the program that made it the majority party for most of 40 years. That included the progressive taxation, popular participation in elections, regulation of monopolies, creation of social security and public assistance, dedication to halt poverty and the belief in education as the right of all people and a necessity for democracy.

Above all, that party then, rather than now, was clearly identified with the continuing struggle to prevent the concentration of economic control in a few institutions and families.

Today, both the Democratic Party and the Republican Party stand unwilling to serve as vehicles for achieving economic and social justice.

As progressives, we commit ourselves to the fight to revitalizing the parties and ultimately to building new political institutions, if necessary, that do provide the basis for a fair and just society. We need political parties that are accountable, issue-oriented and disciplined to abide by their platform commitments. We need also to encourage alternatives such as neighborhood and community groups working together for the common good.

Individual interest groups and causes have evolved in unprecedented numbers, because they lacked these broader organizational instruments to express their will and, at times, needed protection from abuses of power. Many of us have been activists in such single-issue struggles of necessity, yet we join together recognizing the compelling need for a common program and the political vehicles to achieve it.

Rather than championing the cause of any individual candidate, our goal is to build a politics based on principle and accountability. This must be a grassroots movement active not just in Washington, D.C. alone, but in our states, cities and rural areas. It is there our real strength lies.

The task of revitalizing America's political institutions must be a means, rather than an end. Revitalized parties and issue-backed politics will be tools through which the struggle of the 1980's can be waged. And while that struggle will occur in a different political and economic environment, its nature remains constant.

Too few people and institutions control too much wealth and power in America. No matter how many times AT&T tells us that the system is the solution, nor how often Detroit Edison claims the power is in our hands, we continue to know corporations control too much and the people too little.

The program we seek to evolve will aim to spell out both visionary ideas to remedy that basic inequity and practical steps to insure development of a political environment in which those ideas can become public policy. The specific components behind which we shall align will be developed in the period ahead based upon the best political and strategic thinking we can develop.

Our overall hope is to advance the progressive traditions of our country.

We will mobilize and fight for economic programs that provide full employment and

stabilize prices, particularly in the cost of the basic necessities of life. We will struggle to achieve equal rights, full civil rights, and civil liberties for everyone.

We seek to protect the right of working people to organize and struggle as unionists to win security, dignity and their fair share of the wealth their labor creates. We demand the right of the poor, the unemployed, and others discriminated against in society to win that same security, dignity and personal well being. We advocate an end to the corporate domination that has created the massive inequities in distribution of income and wealth.

We hope for policies that promote world peace and support a rational defense policy and the absence of excessive military spending. We urge an energy policy that will break the stranglehold energy conglomerates and cartels have on every citizen. We demand a healthy environment. We seek ways of delivering health care to all as a basic right.

We advocate the rebuilding of our cities and the revitalization of the family farm. We seek urban and rural housing at affordable costs and more effective transportation networks. We hope for opportunities for spiritual, artistic and creative development now denied to many in America.

We seek to remedy the massive inequities in our system of taxation that places the burden on the middle class and working poor rather than the wealthy. We believe in the importance of government as the vehicle through which the collective will of the people can be channeled to do what each of us as individuals cannot. We understand that many human needs can be met only by public and social services and we want a politics that responds to those human needs, even when society suffers from less rapid growth and economic setbacks.

Our progressive alliance shall pursue these and similar goals through a variety of mechanisms. We will organize inside and outside the political parties, hold citizen hearings, sponsor demonstrations, underwrite independent research and publications, communicate through the media and work with all who seek to apply democratic principles of participation to our economic and political life.

These are times of crisis—and times of opportunity. We have joined together in alliance, because now is not a time to mourn, but a time to organize. Out of our efforts may not come a world as we would like it, but still it will be a far better world than if we do nothing.●

CHAMPION MUSTANGS

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. AMBRO. Mr. Speaker, it is with a deep sense of personal pride that I bring to the attention of my colleagues the outstanding athletic achievement of some of my younger constituents.

On Long Island we have one of the best developed and most competitive sports programs in the Nation. From grade school through high school, our young men and women compete in virtually as many sports as any Member of this Chamber can name. Throughout the year, they vie in baseball, basketball, football, soccer, swimming, lacrosse, tennis, golf, wrestling, track and field, and a variety of other sports.

That level of competition points up the truly significant accomplishment of the junior varsity team of the Massapequa

Mustangs in winning the Long Island Midget Football League championship. In their championship quest, these 11-year-olds from my Third Congressional District, and their four outstanding coaches, exhibited all that is good and wholesome in athletic competition. Always dedicated, hardworking, and enthusiastic, these young people competed fiercely, but always in the spirit of fair play and good sportsmanship. They beat the very best in their class to be what we all seek to become in every field of endeavor—the best.

Their success is a tribute not only to their own abilities and dedication, and that of their coaches, but also to their parents and indeed all parents on Long Island who have personally sacrificed so that their children could enjoy this type of sports program.

Mr. Speaker, I ask all of my colleagues to join me in saluting their league, their coaches, their parents, but most importantly, the players of the J.V. team of the Massapequa Mustangs.●

CARE AND TREATMENT OF THE ELDERLY

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. MINISH. Mr. Speaker, one of the most serious problems facing American society today is the care and treatment of the elderly. I know that all our colleagues share in my concern for the thousands of older Americans who reside in nursing homes and similar facilities.

Many of the more than 1 million older Americans who now live in nursing homes do not require the intensive and expensive care provided by those facilities. I am convinced that a great number of them would make other arrangements if money and suitable alternative accommodations were suitable.

For these reasons I have reintroduced legislation to provide senior citizens with alternatives to nursing home institutionalization. My bill, H.R. 1424, would provide cash payments to elderly persons eligible for Medicare and Medicaid who do not require around-the-clock nursing supervision. The payments would amount to one-half the average cost of an area's nursing home care and would be tax free.

Not only would this legislation allow the elderly to increase their health-care options, but also it has the potential to result in a savings of tax dollars. Medicare and Medicaid now pay 100 percent of the nursing home costs of many of those who would be eligible under the provisions of my proposal. Should the bill be enacted, the Federal Government would make payments equaling half the average nursing home costs, or, one-half of the amount that already is being borne by Medicare and Medicaid.

Equally as important, this measure would provide many senior citizens with the wherewithal to retain their independence, or, if they choose, to stay with their families without creating a tre-

mendous financial burden. With a tax-free stipend each month, many seniors would be able to live with their loved ones and contribute to the household income. I am sure that we can all agree that such a presence in the home serves as an important influence for the better on the American family.

Mr. Speaker, the current system of treatment almost forces institutionalization upon senior citizens. Medicare and Medicaid provide funds to those in nursing homes, but not to those who otherwise might be able to remain at home. This is not the proper direction toward which our care for the elderly should aim.

My legislation would allow many thousands of older Americans to avoid being sent to nursing homes and would allow many others already in facilities to return to their own homes or those of relatives. I urge my colleagues to consider supporting this bill.●

IOSEF BEGUN—SOVIET PRISONER OF CONSCIENCE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. DOWNEY. Mr. Speaker, last week I wrote a letter of congratulations to a young boy living in Moscow. The boy's name is Boris Begun and he is celebrating his Bar Mitzvah today. Like any Jewish father, Boris' father is proud of him on this day when he has completed a long period of study and preparation for taking his place as a man among his congregation. However, Boris' father, Iosef Begun, can not be with him or even see him on this very important day. He is in a prison camp in Siberia.

Iosef Begun is an engineer and a teacher of Hebrew, a doctor of science. His crime is that he was living in Moscow, with his wife Alla and his son Boris, without a permit. For wanting to be with his family he is now suffering 3 years of internal exile. Internal exile, as it is delicately phrased by Soviet courts, means living in a labor camp far away from family and friends for years at a time. Previous to this, Iosef Begun had been found guilty, in June 1977, of another typically Soviet crime—leading a parasitic way of life. This ambiguous phrase, which would make the worst of the sophists sit up and take notice, means that Dr. Begun was unemployed. Why he was unemployed, because he had had the nerve to file a visa application, is another matter, but simply for being unemployed he was sentenced to 2 years of internal exile. After serving a year of that sentence, he has now been slapped with another 3 years for coming back to Moscow to be with his family without a permit. This one case, among hundreds of similar cases, should give the Congress some idea of what life in the Soviet Union is really like for a man of conscience, a religious, family man who has had the courage to stand up and say that he would like to emigrate.

I believe it is important that this Congress be reminded of the sufferings of men like Iosef Begun, and the denials of the most basic human rights he and many others have endured in the Soviet Union. It is my hope that continued pressure upon Soviet authorities, which can be exerted through letters and statements of protest from American citizens and Members of Congress, will result in a redress of injustice and a better, more hopeful future for Iosef Begun and his family and thousands of others like them in the Soviet Union today. ●

TAX TIPS FOR OLDER AMERICANS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. HUGHES. Mr. Speaker, each year the Senate Special Committee on Aging publishes a checklist for older Americans to help them in preparing their income tax returns.

With the passage of the Revenue Act of 1978, it is especially important that older people be apprised of the various changes in the law such as the one-time exclusion from capital gains on the sale of a principal residence, so that they may take advantage of the revisions in the tax code.

I would like to congratulate the Senate Aging Committee for its foresight in preparing this valuable checklist. The text of the publication, "Protecting Older Americans Against Overpayment of Income Taxes" follows:

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3 percent of your adjusted gross income (line 31, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to \$150) without regard to the 3 percent limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3 percent rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3 percent rule) but only to extent exceeding 1 percent of adjusted gross income (line 31, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expenses (subject to 3 percent limitation):

Abdominal supports (prescribed by a doctor).

Acupuncture services.

Ambulance hire.

Anesthetist.

Arch supports (prescribed by a doctor).

Artificial limbs and teeth.

Back supports (prescribed by a doctor).

Braces.

Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. You should have an in-

dependent appraisal made to reflect clearly the increase in value.

Cardiographs.

Chiropracist.

Chiropractor.

Christian Science practitioner, authorized.

Convalescent home (for medical treatment only).

Crutches.

Dental services (e.g., cleaning, X-ray, filling teeth).

Dentures.

Dermatologist.

Eyeglasses.

Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).

Gynecologist.

Hearing aids and batteries.

Home health services.

Hospital expenses.

Insulin treatment.

Invalid chair.

Lab tests.

Lipreading lessons (designed to overcome a handicap).

Neurologist.

Nursing services (for medical care, including nurse's board paid by you).

Occupational therapist.

Ophthalmologist.

Optician.

Optometrist.

Oral surgery.

Osteopathy, licensed.

Pediatrician.

Physical examinations.

Physical therapist.

Physician.

Podiatrist.

Psychiatrist.

Psychoanalyst.

Psychologist.

Psychotherapy.

Radium therapy.

Sacroiliac belt (prescribed by a doctor).

Seeing-eye dog and maintenance.

Speech therapist.

Splints.

Supplementary medical insurance (Part B) under Medicare.

Surgeon.

Telephone/teletype special communications equipment for the deaf.

Transportation expenses for medical purposes (7c per mile plus parking and tolls or actual fares for taxi, buses, etc.).

Vaccines.

Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).

Wheelchairs.

Whirlpool baths for medical purposes.

X-rays.

Expenses may be deducted only in the year you paid them. If you charge medical expenses on your bank credit card, the expenses are deducted in the year the charge is made regardless of when the bank is repaid.

TAXES

Real estate.

State and local gasoline.

General sales.

State and local income.

Personal property.

If sales tax tables are used in arriving at your deduction, ordinarily you may add to the amount shown in the tax tables the sales tax paid on the purchase of the following items: automobiles, trucks, motorcycles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, dividends untaxed under the dividend

exclusion, interest on municipal bonds, unemployment compensation and public assistance payments).

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 31, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20 percent of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible).

Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7 cents per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in your home under a written agreement with a qualifying organization (deduction is limited to \$50 per month.)

INTEREST

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.

Other credit cards—you may deduct as interest the finance charges added to your monthly statement, expressed as an annual percentage rate, that are based on the unpaid monthly balance.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money and only if the charging of points is an established business practice in your area. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the separately stated "finance charge" expressed as an annual percentage rate.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the \$100 limitation. Report your casualty or theft loss on Schedule A. If more than one item was involved in a single casualty or theft, or if you had more than one casualty or theft during the year, you may use Form 4684 for computing your personal casualty loss.

MISCELLANEOUS

Appraisal fees to determine the amount of a casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box used to store income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding \$25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by your employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if used regularly, and exclusively for certain business purposes.

Educational expenses that are: (1) required by your employer to maintain your position; or (2) for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—You may claim either a deduction (line 31, Schedule A, Form 1040) or a credit (line 38, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general, or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is \$100 (\$200 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a \$25 ceiling (\$50 for couples filing jointly).

PRESIDENTIAL ELECTION CAMPAIGN FUND

Additionally, you may voluntarily earmark \$1 of your taxes (\$2 on joint returns) for the Presidential Election Campaign Fund.

ADDITIONAL INFORMATION

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

OTHER TAX RELIEF MEASURES

Required to file a tax return if gross income is at least—

Filing status	
Single (under age 65).....	\$2,950
Single (age 65 or older).....	3,700
Qualifying widow(er) under 65 with dependent child.....	3,950
Qualifying widow(er) 65 or older with dependent child.....	4,700
Married couple (both spouses under 65) filing jointly.....	4,700
Married couple (1 spouse 65 or older) filing jointly.....	5,450
Married couple (both spouses 65 or older) filing jointly.....	6,200
Married filing separately.....	750

Additional Exemption for Age.—Besides the regular \$750 exemption, you are allowed an additional exemption of \$750 if you are age 65 or older on the last day of the taxable year. If both a husband and wife are 65 or older on the last day of the taxable year, each is entitled to an additional exemption of \$750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1979, you will be entitled to the additional \$750 exemption because of age for your 1978 Federal income tax return.

"Zero Bracket Amount."—The "zero bracket amount" is a flat amount that depends on your filing status. It is not a separate deduction; instead, the equivalent amount is built into the tax tables and tax rate schedules. Since this amount is built into the tax tables and tax rate schedules, you will need to make an adjustment if you itemize deductions. However, itemizers will not experience any change in their tax liability and the tax computation will be simplified for many itemizers.

Tax Tables.—Tax tables have been developed to make it easier for you to find your tax if your income is under certain levels. Even if you itemize deductions, you may be able to use the tax tables to find your tax easier. In addition, you do not have to deduct \$750 for each exemption or figure your general tax credit, because these amounts are also built into the tax table for you.

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a \$750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10 percent of the mutual dependent's support, but only one of them, may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration)—may be used for this purpose.

Sale of Personal Residence.—You may exclude from your gross income some or all of your gain from the sale of your principal residence, if you meet certain age, ownership, and occupancy requirements at the time of the sale. These requirements, and the amount of gain that may be excluded, differ depending on whether you sold your home before July 27, 1978, or on or after that date. The exclusion is elective, and you may elect to exclude gain only once for sales before July 27, 1978, and only once for sales on or after that date.

If you sold your home before July 27, 1978, and you were age 65 or older before the date of sale, you may elect to exclude the gain attributable to \$35,000 of the adjusted sales price if you owned and occupied the residence for 5 of the 8 years ending on the date of sale. If you sold the home after July 26, 1978, and you were age 55 or older before the date of sale, you may elect to exclude \$100,000 of gain on the sale if you owned and occupied the residence for 3 of the 5 years ending on the date of sale (or 5 of 8 years under certain circumstances). Form 2119 (Sale or Exchange of Personal Residence) is

helpful in determining what gain, if any, may be excluded.

Additionally, you may elect to defer reporting the gain on the sale of your personal residence if within 18 months before or 18 months after the sale you buy and occupy another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence; (2) you were on active duty in the U.S. Armed Forces; or (3) your tax home was abroad. Publication 523 (Tax Information on Selling or Purchasing Your Home) may also be helpful.

Credit for the Elderly.—You may be able to claim this credit and reduce taxes by as much as \$375 (if single), or \$562.50 (if married filing jointly), if you are:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

For more information, see instructions for Schedules R and RP.

Credit for Child and Dependent Care Expenses.—Certain payments made for child and dependent care may be claimed as a credit against tax.

If you maintained a household that included your dependent child under age 15 or a dependent or spouse incapable of self-care, you may be allowed a 20 percent credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable you to work either full or part time.

For detailed information, see the instructions on Form 2441.

Earned Income Credit.—If you maintain a household for a child who is under age 19, or is a student, or is a disabled dependent, you may be entitled to a special payment or credit of up to \$400. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if you reported earned income and had adjusted gross income (line 31, Form 1040) of less than \$8,000, you may be able to claim the credit.

Earned income means wages, salaries, tips, other employee compensation, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

ENERGY TAX ACT

The Energy Tax Act of 1978 is directed at providing tax incentives for energy conservation measures and for conversion to renewable energy sources.

A credit of up to \$300 may be claimed for expenditures for energy conservation property installed in or on your principal residence, whether you own or rent it. The residence must have been substantially completed by April 20, 1977. Items eligible for the credit are limited to the following: insulation (fiberglass, cellulose, etc.) for ceilings, walls, floors, roofs, water heaters, etc.; exterior storm (or thermal) windows or doors; caulking or weatherstripping for exterior windows or doors; a furnace replacement burner which reduces the amount of fuel used; a device to make flue openings (for a heating system) more efficient; an electrical or mechanical furnace ignition system which replaces a gas pilot light; an automatic energy-saving setback thermostat; and a meter which displays the cost of energy usage.

A maximum credit for renewable energy source property is \$2,200. Equipment used in the production or distribution of heat or electricity from solar, geothermal, or wind energy sources for residential heating, cool-

ing, or other purposes may qualify for this credit.

Energy credits may be claimed by completing Form 5695 and attaching it to your Form 1040. Credit for expenditures made after April 19, 1977, and before January 1, 1979, must be claimed on your 1978 tax return. Do not file an amended 1977 return to claim a credit for expenditure in 1977.

Examples of items which do not qualify for energy credit are the following: carpeting, drapes, wood paneling, exterior siding, heat pump, wood or peat fueled residential equipment, fluorescent replacement lighting system, hydrogen fueled residential equipment, equipment using wind energy for transportation, expenditures for a swimming pool used as an energy storage medium, and greenhouses.

For further information, consult the instructions for Form 5695 and IRS Publication 903, Energy Credits for Individuals. ●

THE 1978 GENERAL ELECTION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report from November 22, 1978 into the CONGRESSIONAL RECORD:

THE 1978 GENERAL ELECTION

Virtually all the results of the 1978 general election are in. Politicians, pollsters, and the public at large will be discussing the meaning of the results for some time to come.

Perhaps the most disturbing aspect of the recent election was the low voter turnout. On Election Day approximately 35% of eligible voters cast their ballots. Despite election reforms—a lower voting age, easier registration, and the repeal of poll taxes—the number of nonvoters continues to rise faster than the number of people who vote, a trend begun almost two decades ago. In the 1962 off year election 45% of eligible voters turned out. Many factors have caused the decline in voting: a feeling that there is no difference between candidates or parties, a sense of frustration and powerlessness in the electorate, and a belief that one vote really does not matter are just a few. In turn, the decline in voting has only made things worse: as fewer people express their opinions at the polls, special interest groups become more powerful.

Another disturbing aspect of the recent election was the huge amount of money poured into congressional campaigns, some of which were probably the most expensive in history. A North Carolina Senator spent \$6.7 million to be re-elected, and an Indiana congressional candidate paid out more than \$390,000 in a losing effort. The basic problem with big money is that candidates become hostages of the individuals and groups that provide it. Office seekers who rely heavily on a few influential contributors tend to be less independent and less able to pursue the national interest and the common good. I am not sure just what reforms are necessary to improve campaign financing, but I am interested in exploring a variety of proposals. Some that come to mind are the public financing of congressional campaigns and the lowering of campaign costs through, among other things, reduced rates for political mailings. Another kind of proposal involves the careful deregulation of the electoral process. Such reforms would make politicians more responsive and elections more competitive.

The 1978 election rekindled my concern

that politics is becoming increasingly devoid of content. Elections have advanced technologically, with modern campaign techniques such as television commercials, telephone banks, and computerized mailing, but they have not advanced in substance. The concentration on style, image, and campaign conduct really does not get voters interested in the issues of the day. Negative campaigning against an opponent's record or personal shortcomings—rather than a constructive emphasis on one's own program—has become a very common tactic.

Political observers are uncertain about a national mandate in the 1978 congressional races. It seems to me that the quality of individual candidates and particular political circumstances in each area had more to do with the results than did any overwhelming trend. A study published just before the 1970 election stated that congressional contests are usually local affairs, reflecting voters' attention to local matters more than to nationwide moods. My own impression is that Congressmen today are indeed elected more as non-partisan, non-ideological providers of service. It is certainly on their records of service that most incumbents now choose to run for re-election.

Nevertheless, there was a dominant tone to the recent election. Voters are clearly upset about inflation, taxes, government spending, bureaucracy, and regulation. At the same time, however, I found that they are skeptical toward candidates who claim to have easy cures, especially for a problem like inflation. People seem to realize that no one can honestly offer them a quick remedy for inflation. It is just too complicated an issue.

The recent election resulted in a shift to the right on the political spectrum, suggesting that the Nation will continue to move toward more conservative government. Important congressional liberals were defeated, and in most instances Americans voted for lower taxes where they had an opportunity to do so. The national partisan lineup for 1979 is as follows: in the Senate, 59 Democrats and 41 Republicans (a net gain of three for the minority party, with one recount possible); in the House, 276 Democrats and 159 Republicans (a net gain of 12 for the minority party, with three recounts necessary); among the governors, 32 Democrats and 18 Republicans (a net gain of six for the minority party). The increase in GOP strength is modest for a minority party in an off year election.

Overall, I see the 1978 election as an indication that the American people are uncomfortable, but not frightened, about the condition of the economy, and that they are not ready to trust government to those who propose drastic remedies. On the other hand, the people do want something to be done to make government and the economy work better. They are asking government to deliver a quality product at a reasonable price. They seek stable prices and wages in a strengthened economy. While Americans prefer to leave power in the hands of the Democrats, they want the Republicans standing by as a potential alternative. ●

RETIREMENT OF LLOYD ARTHUR RIVARD

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. JOHNSON of California. Mr. Speaker, it is with profound regret that I report to the House that Lloyd Arthur

Rivard, chief engineer of the Committee on Public Works and Transportation, retired December 31, 1978, after more than 30 years of outstanding public service. He leaves behind countless friends and a record of accomplishment that truly merits the gratitude of the Congress and the Nation he has served so well.

Lloyd Rivard had already made his mark as an authority in the field of highway safety and highway engineering when he came to the Committee on Public Works and Transportation almost 10 years ago. In the intervening years he had added enormously to that reputation.

A native of Rhode Island and an engineering graduate of Brown University, Lloyd began his career in 1949 with the Bureau of Public Roads, the forerunner of today's Federal Highway Administration. In 1954 he joined the District of Columbia Highway Department to assume responsibility for planning and establishing the District links to the then-embryonic Interstate Highway System, a task he carried out with a distinction that attracted the attention and admiration of highway authorities throughout the Nation.

He interrupted his District service in 1962 to spend the next 5 years with the Automotive Safety Foundation—known today as a major element of the Highway Users Federation—where he won further national repute in the fields of highway safety design and construction. There followed another 3 years of service with the District of Columbia Highway Department, until he came to Capitol Hill as chief engineer for the Committee on Public Works and Transportation.

Mr. Rivard's entire career was closely identified with the development of the Interstate Highway System and the related Federal-aid highway network which today links the cities, towns, and rural areas of the continental United States and stands as one of the most ambitious and successful public works projects in recorded history.

His contributions to Federal transportation law and Federal transportation programs during his years with the Public Works and Transportation Committee have helped immeasurably in making America's highways safer and better for the millions who ride them daily.

In recent years, as the committee's jurisdiction expanded to include other facets of surface transportation, including mass transportation, Lloyd's expertise grew with the additional responsibilities. He became a recognized expert on public transportation and a strong supporter of a balanced transportation system.

Mr. Speaker, I voice the feelings of all the members of the Committee on Public Works and Transportation who have been privileged to work closely with Lloyd Rivard over these past 10 years—and especially in the 3 final years of exhaustive and exhausting effort that went into creation of the landmark Surface Transportation Assistance Act of 1978—when I say that he will be sorely missed.

Ours is a mobile society. Many words

have been spoken in this Chamber about the problems this mobility creates for our citizens and, as a result, for our transportation systems. Few have contributed more than Lloyd Rivard to easing the transportation problems of our citizens as they travel each day on our highways and public transportation to work, to school, to church, and to places where they can spend their increasing leisure time.

In the years ahead, Lloyd Rivard undoubtedly will continue to contribute, as a private citizen, the same wise counsel and advice to the cause of better transportation that he gave us with such distinction throughout his career of public service.

We wish all the best to Lloyd and his gracious wife, Beverly; his daughters, Dorraine and Patricia; and his son, Rick.●

SWAPPING GOODS FOR MEXICO'S OIL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. LAGOMARSINO. Mr. Speaker, I would like to call to the attention of my colleagues the following article by Ronald E. Muller and Everett M. Ehrlich regarding possible trade agreements with Mexico. The article appeared in the Washington Post, Sunday, January 7.

The article follows:

SWAPPING GOODS FOR MEXICO'S OIL

The United States is considerably behind its allies seizing opportunities for reciprocal economic agreements with developing nations.

The European Economic Community's Lome Convention, for example, has forged new aid-and-trade ties with 54 Third World countries. In the "new China" market, the United States' one mining deal pales besides the headstarts of Germany and Japan in building everything from coal mines to steel mills.

But the U.S. lag is most striking when compared with other industrial nations' bilateral swaps of exports for oil and gas.

Japan is building Iraq's natural and liquefied gas industries in exchange for oil, while Peru is already paying for its Japanese-built pipelines at a price of 250 million barrels of oil. France has announced a policy of tying its oil purchases to exports of French products, and Germany and Japan are negotiating long-term deals to export technological assistance and capital goods for oil.

For the United States, Mexico should be an obvious choice for such agreements, but we recently rejected Mexico's bid to sell us natural gas at a lower price than we pay for Algerian and Indonesian gas. Massachusetts Sen. Edward M. Kennedy echoed the dismay of others in Congress when he noted how "President Lopez Portillo turned instead to Japan for technology, financing and oil sales."

Our refusal prompted Mexico to convert the gas to domestic uses, thereby freeing oil for export to Japan. The Japanese loaned Mexico \$1 billion to build pipelines and port facilities so that Mexico can ship the oil to Japan in repayment of the loan.

Similarly, France and Mexico have signed a deal providing France with 100,000 barrels

of Mexican oil a day, paid for by French exports.

The advantages of the United States arranging a similar deal with Mexico are obvious. It would give us an additional, stable supply of oil without worsening our already deep trade deficit, stimulate our economy, create jobs and reduce unemployment and related government payments.

The United States, for example, could offer to buy a scheduled amount of Mexican oil leading up to 2 million barrels a day by 1985. Mexico in return would receive a line of credit with which to shop in this country for the best buys on capital goods and technology. Indeed, Mexico and the United States are geographically so close that lower transportation costs—compared with shipments bound for Europe or Japan—would mean that the Mexicans in effect could gain up to an extra \$1 profit for each barrel they send us.

We could sweeten this package with special financing arrangements, possibly including an adjustment in Mexico's debt repayment schedule. Even more important would be a move toward serious negotiations to resolve such difficult question as immigration policy and water rights to the Colorado River, the key issues in U.S.-Mexican relations.

If such a swap deal could be negotiated, it would mean new U.S. exports to Mexico of almost \$11 billion a year, creating an estimated 400,000 jobs in this country. Since every jobless worker costs the federal government about \$5,000 in unemployment compensation and other payments, taxpayers could conceivably save more than \$2 billion in such aid. That would translate into a \$2.74, or 20 percent, premium on each barrel of Mexican oil.●

TAX REDUCTION ACT OF 1979

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. LUKEN. Mr. Speaker, I am introducing a bill, the Tax Reduction Act of 1979, that will reduce taxes for individuals (by \$142 billion) and force Congress to cut spending and move toward a balanced budget by linking tax cuts with reductions in Federal spending. This bill is the Nunn amendment to the Revenue Act of 1978. This amendment was approved by the House but lost in conference.

A Congressman today can vote for tax reductions and at the same time vote to spend money that the Government does not have. My bill will force Congress to reduce spending because under my bill, any Congressman who votes for increased spending votes against a tax cut.

My bill contains the following reductions for individuals' tax rates; \$8 billion in fiscal year 1980, \$25 billion in fiscal year 1981, \$43 billion in fiscal year 1982, and \$66 billion in fiscal year 1983. The total tax reductions that would take place are \$142 billion—money saved from every American's paycheck.

For these tax cuts to become effective, Federal spending cannot exceed the following percentages of the projected gross national product: 21.0 percent in fiscal year 1980, 20.5 percent in fiscal year 1981, 20.0 percent in fiscal year 1982, and 19.5 percent in fiscal year 1983 and thereafter. Additionally, Federal spending

cannot exceed the rate of inflation plus 1 percent, and the Federal budget for 1982 must be balanced.

Mr. Speaker, the people of this country know that one of the single greatest causes of inflation is massive Government overspending. This proposed tax structure insures that the budget will be as balanced as possible as the tax reductions go into effect. It also provides a way to face our changing national economic conditions and still reduce taxes while upholding the principle of moving toward a balanced budget.●

DISTINGUISHED CALIFORNIA BUSINESSMAN, CIVIC LEADER AND NEWSPAPER OWNER RETIRES

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. DANNEMEYER. Mr. Speaker, recently Edgar F. Elfstrom, a well-known and distinguished California businessman, civic leader and newspaper owner, retired. Ed's retirement brought to a conclusion a newspaper career which began in 1922 when, at the age of 21, he became personal secretary to E. W. Scripps, a giant in the world of journalism who started the first newspaper chain and founded what was to become United Press International.

In 1924, Ed took his first newspaper job with the Youngstown, Ohio, Telegram, working in the advertising department. In 1926, he was in California where he invested in the Florence Messenger, which he sold 18 months later and joined the Santa Ana Times as advertising manager. This was followed by service with the Copley-owned Hollywood News and, later by his becoming publisher of the Alhambra Post-Advocate. Somewhat later, he joined in a tripartnership with John Scripps and Roy Pinkerton to acquire and develop newspapers throughout the State of California.

In 1939, he purchased the Daily News Tribune in Fullerton which then had a circulation of 2,000. During his tenure as publisher and editor the circulation increased more than 10 times.

During Ed's tenure as owner of the paper, a new, modern facility was built and occupied in 1964 and the paper converted its production system from a hot-lead type of operation to a photo composition system. Ed sold the Daily News Tribune in 1973 to Scripps-Howard Newspapers, but continued to serve in an advisory capacity until his retirement on December 31, 1978, concluding a 56-year newspaper association and 52-year record of journalistic endeavors in the State of California.

That Ed is held in the highest esteem by his fellow Californians is without question. A few of the tributes to this outstanding gentleman follow:

SENATE RULES COMMITTEE RESOLUTION BY SENATOR JOHN V. BRIGGS

Whereas, Edgar F. Elfstrom is deserving of special recognition and commendations upon the occasion of his retirement, after

a career that spans 56 years in the newspaper business, and including 52 of those years in the State of California; and

Whereas, Mr. Elfstrom began his newspaper career at the age of 21, when he became personal secretary to E. W. Scripps, a giant in the world of journalism who started the first newspaper chain and founded what was to become United Press International; and

Whereas, Edgar traveled around the world with E. W. Scripps, meeting with foreign dignitaries, as well as assisting in the Scripps operations of the latter's various newspaper holdings; and

Whereas, in 1924, he took his first newspaper job with the Youngstown, Ohio, Telegram, working in the advertising department, and two years later, he came to California to invest in the Florence Messenger and later served as Advertising Manager for the Santa Ana Times and as National Advertising Manager of the Copley-owned Hollywood News; and

Whereas, in 1930, at the age of 28, he became publisher of the Alhambra Post-Advocate, and then joined in a trip partnership with John Scripps and Roy Pinkerton to acquire and develop newspapers throughout the State of California; and

Whereas, in 1939, he purchased the Daily News Tribune, in Fullerton, when it had a circulation of 2,000, and during his tenure as publisher and editor, the circulation increased more than tenfold; and

Whereas, highlights of his Daily News Tribune ownership include the building of a new, modern facility which the newspaper occupied in 1964, and the conversion of the newspaper production system from a hot-lead type of operation to a photocomposition system.

Whereas, he sold the Daily News Tribune to Scripps-Howard Newspapers in 1973, and he continued to serve in an advisory capacity until his retirement on December 31, 1978; now, therefore, be it

Resolved by the Senate Rules Committee. That Edgar F. Elfstrom be commended for his many contributions to news journalism in the State of California, and extended congratulations and warmest wishes upon the occasion of his well-deserved retirement; and be it further

Resolved. That a suitably prepared copy of this resolution be transmitted to Edgar F. Elfstrom.

MEMBER'S RESOLUTION BY THE HONORABLE ROSS JOHNSON

Whereas, Edgar F. Elfstrom, a distinguished California businessman and civic leader, has recently retired, thereby concluding a 56-year newspaper association and 52-year record of journalistic endeavors in this state, and it is appropriate upon this occasion that he receive the special honor and commendations of his fellow citizens; and

Whereas, beginning his career at age 21 as personal secretary to E. W. Scripps, a giant in the world of journalism, Mr. Elfstrom traveled worldwide conferring with various newspaper holdings of the Scripps operations; and

Whereas, in 1924, he took his first newspaper job in the advertising department of the Youngstown (Ohio) Telegram, two years later came to California where he invested in the Florence Messenger, and 18 months later joined the staff of the Santa Ana Times as Advertising Manager; and

Whereas, at age 28, he became the Publisher of the Alhambra Post-Advocate, later joined in a trip partnership to acquire and develop newspapers throughout the State of California, and in 1939 purchased the Daily News Tribune in Fullerton; and

Whereas, the highlights of his Daily News Tribune ownership included the building of a new, modern facility which the newspaper occupied in 1964, and the conversion

of the newspaper production system from a hot-lead type of operation to a photocomposition system; and

Whereas, Edgar Elfstrom operated the Daily News Tribune until 1973, at which time he sold the company, while continuing to serve in an advisory capacity, and on December 31, 1978, formally ended his newspaper association with his final retirement; and

Whereas, the services which he has provided to his readers during his illustrious career are indeed far-reaching, as the responsibilities of a newspaper publication in informing the public of factual data and truths are extensive; now, therefore, be it

Resolved by Assemblyman Ross Johnson. That he takes pride in honoring and commending Edgar F. Elfstrom upon the occasion of his retirement from his 56-year newspaper association and 52-year record of journalistic endeavors in the State of California, expresses his sincere appreciation for the invaluable services which he has provided to the people of this state, and extends best wishes for every success in his future endeavors; and be it further

Resolved. That a suitably prepared copy of this resolution be transmitted to Edgar F. Elfstrom.

RESOLUTION OF THE ORANGE COUNTY BOARD OF SUPERVISORS

On motion of Supervisor Diedrich, duly seconded and unanimously carried, the following Resolution was adopted:

Whereas, Edgar F. Elfstrom is retiring from journalism after more than 55 years of operating independent newspapers, as well as entire chains; and

Whereas, he began his career as personal secretary to newspaper giant, E. W. Scripps, touring the world and helping to create what was to become United Press International. He purchased his first California newspaper in 1926, The Florence Messenger and, when he was only 28 years old, purchased The Alhambra Post Advocate, and later formed a partnership, developing newspapers throughout California; and

Whereas, in 1939, he purchased The Fullerton Daily News Tribune which he operated for many years as the only independent daily newspaper in Orange County, increasing circulation 10-fold. Mr. Elfstrom built a complete new plant before selling the newspaper to Scripps-Howard Newspapers. He is known nationwide for his lifetime of dedication to journalism, and particularly for his battle against drug abuse.

Now, therefore, be it *resolved* that the Orange County Board of Supervisors commends Edgar F. Elfstrom for his long years of dedication to journalism and to his fellow man, and wishes him well in his retirement. ●

HOSPITAL PRAISED FOR COST CUTTING

HON. NEWTON LEROY GINGRICH OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. GINGRICH. Mr. Speaker, we have heard a lot recently about rising health care costs and about skyrocketing hospital bills. In his state of the Union address the President repeated his proposal for a ceiling on hospital rate increases. There will be many other legislative proposals entered into the House this session.

There is no doubt that hospital costs are rising rapidly. But some hospitals

are fighting to hold the line on spending and pass these savings on to their patients. They are working hard to reduce costs without reducing services.

I would like to call the House's attention to Douglas General Hospital, in Douglas County, Ga. They have instituted a unique cost reduction program that should be emulated wherever possible in the rest of the country.

I think that the work done at Douglas General Hospital shows that voluntary cost-containment can work. With Government help, rather than Government hindrance, our hospitals can slow the rapid rise of health care costs.

Mr. Wagner, hospital administrator, and the staff at Douglas General Hospital have done a fine job and deserve our gratitude and support.

I am inserting in the RECORD an article that appeared in the December 20, Atlanta Journal and the Villa Rican that describe the Douglas County Hospital program:

[From the Atlanta (Ga.) Journal, Dec. 20, 1978]

HOSPITAL EARNS 1ST PLACE AWARD

Douglas General Hospital has earned a first place award for its continuing cost containment and cost reduction efforts.

Hospital Administrator James A. Wagner Jr. has been advised by representatives of the Georgia Hospital Association (GHA) that Douglas General has been judged as the first place winner in the GHA's 1978 PACER Contest.

The plaque will be presented at the annual convention Awards and Recognition luncheon Dec. 8 at the DeSoto Hilton Hotel in Savannah.

The PACER award is given to the Georgia hospital or health facility which is judged as presenting the best program aimed at reducing and/or containing the rise in health care costs for both patients and the institution itself.

The Douglas General entry in the contest was chosen for first place honors from among entries submitted by a majority of the hospitals in the state, regardless of bed size.

Besides the first place plaque, the hospital will also receive a cash award of \$2,500.

Commenting on the award, Administrator Wagner said "credit for our having received such an award goes to H. Lee Roper, assistant administrator and manager of the Continuous Team Cost Reduction Program and to those employees who participated as members of the hospital's cost reduction teams as well as to Schuyler Clark, the management consultant who has been working closely with our program."

Wagner will accept the plaque and cash award at the GMA convention Dec. 8.

[From the Villa (Ga.) Rican, Dec. 20, 1978]

DGH WINS FIRST PLACE IN COST CONTAINMENT

Douglas General Hospital has earned a highly-coveted first place award for its continuing cost containment, cost reduction efforts.

Hospital Administrator James A. Wagner, Jr., has been advised by representatives of the Georgia Hospital Association (GHA) that Douglas General has been judged as the first place winner in the GHA's 1978 PACER Contest.

According to word from John Marston, GHA executive director, a GHA First Place Award plaque is being prepared for presentation at the GHA annual convention Awards and Recognition Luncheon on Friday, December 8, at the DeSoto Hilton Hotel in Savannah.

The coveted PACER award is given to the Georgia hospital or health facility which is judged as presenting the best program aimed at reducing and/or containing the rise in health care costs for both patients and the institution itself. The Douglas General entry in the contest was chosen for first place honors from among entries submitted by a majority of the hospitals in the state of Georgia, regardless of bed size.

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Commenting on the award, Administrator Wagner noted that "credit for our having received such an award goes to H. Lee Roper, Assistant Administrator and manager of the Continuous Team Cost Reduction Program, and to those employees who participated as members of the hospital's cost reduction teams as well as to Mr. Schuyler Clark, the management consultant who has been working closely with our program."

Wagner, Roper and Clark explained the hospital's cost containment/cost reduction program by remarking that through use of a multiple team cost containment program featuring team competition, DGH has saved \$169,910 during the first six months of the current fiscal year which began April 1. That figure represents 6.3 percent of the total operating expense budget for the same six months, and 283 percent of the total hospital savings goal for the fiscal year.

The three men noted that the continuous team cost reduction program is a "productive game" in which 49 department heads, supervisors and technical staff, including nurses, work together to find and implement ways to save money and improve service.

Thirty-four projects had been completed through September with another 120 cost-cutting projects listed with the office of Project Manager Roper.

In addition to the savings to the hospital itself, there have been two projects which included a total of \$16,200 per year in direct savings to the patients.

Wagner pointed out that "the concept employed is unique with Douglas General Hospital and, to our knowledge, is not currently being used in any other health care facility in the state. Cost savings are achieved in our program by the American free enterprise ideal of competition."

"The program is composed of four teams (The Conservatives, The Beacons, The Scalpels, The Cost Culture) each of which is made up of employees from a variety of departments."

Wagner mentioned that each of the four teams is led by a highly-qualified employee with Miss Nawassa Staples team leader of the Conservatives, Mrs. Susan Spurlock leading the Beacons, Terry Welham leader of the Scalpels and Mrs. Laura Frank leading the Cost Culture team. Team standings for the first six months saw the Conservatives with seven completed projects and a savings achievement of \$114,651 or a fantastic 764 percent of that team's 1978-79 goal. The other teams comparable figures were: Beacons, six projects, \$19,901 saved, 133 percent of the year's goal; Scalpels, 11 projects, \$18,746 saved, 125 percent of the team's goal; Cost Culture, 12 projects, \$16,612 saved, 111 percent of the team's yearly goal.

Administrator Wagner will accept the plaque and cash award on behalf of Douglas General Hospital at the December 8 luncheon. He will be representing Douglas General during the GHA annual convention set for December 7-9 in the Chatham County city.

DOUGLAS GENERAL HOSPITAL

Typical of the cost-saving projects suggested and followed through by hospital personnel are:

Name of Project:	Savings
Taping shift reports (nursing)-----	\$17,066
Repair respiratory therapy equipment in-house-----	1,716
Separate flow rate revenue (x-ray)---	5,603
Six-day coverage in physical therapy-----	10,472
Change employee insurance companies-----	65,940
Post job openings in-house-----	1,800
Use shared service linen service-----	12,000
Separate portable x-ray charges-----	3,332
Renegotiate procurements (lab)-----	2,336
Reduce order frequency (sterile water)-----	2,000
Upgrade maintenance position-----	2,070

NEW ETHICS LAW MAY FORCE OFFICIALS TO QUIT

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

Mr. MOORHEAD of California. Mr. Speaker, last year when the House of Representatives considered the Ethics in Government Act, I strongly opposed the so-called revolving door provisions. The existing conflict of interest law in title 18 seemed to be perfectly adequate to deal with the problem. To me, it made no sense to superimpose a 1-year no contact ban on former Government officials with respect to contacts with their former agencies or departments. Clearly, such an arbitrary, silly addition to the law could only have a detrimental effect on the morale of present governmental officials, while, at the same time, serving to seriously hamper governmental recruitment efforts.

An article appearing in the Washington Post on Wednesday, January 31, seems to indicate that my reservations were well-founded. I commend this article to my colleagues' attention:

STIFFENED FEDERAL ETHICS LAW MAY

MAKE OFFICIALS QUIT

(By Joanne Omang)

Hundreds of government officials—scientists, educators and researchers—may resign this spring to avoid coming under a stringent new code of ethics aimed at curbing conflicts of interest.

The 1978 Ethics in Government Act requires detailed financial disclosure statements and puts stiff limits on what high-ranking officials may do in the private sector after they leave government.

Several affected officials say the limits in the law may leave them virtually unemployable outside the government after the act takes effect on July 1.

"Under this law, I couldn't go back and do most of the things I have spent a good part of my life doing," said Hale Champion, undersecretary of health, education and welfare. "I have to consider resigning if the implications are as grave as they look."

Others who said they could be similarly affected include Richard Atkinson, director of the National Science Foundation; William J. Perry, director of research and engineering in the Department of Defense, and Donald S. Fredrickson, director of the National Institutes of Health.

They are typical of hundreds of executives, professors, scientists and others who join

government for a few years, intending to return eventually to their old jobs or to others like them. Often these jobs are at nonprofit or academic institutions having extensive government research grants; others are at private companies with large federal contracts.

"The higher up in the decision-making you are, the more difficult it becomes," said Champion, who was formerly vice president for finance at Harvard University. "You then have official responsibility for lots of things you don't deal with personally . . . it could come down to manning you can't participate in the governance of any institution that has anything to do with the government."

The new law covers all federal employees at grade GS16 or above or earning more than \$42,500, which includes nearly everyone in a policy-making position. It also covers judges, members of Congress and senior congressional staff members, as well as political appointees: in all, about 15,000 persons.

Passed in the wake of the Korean influence-buying scandal, the measure requires listing outside income, gifts, debts, property transfers, spouse's income and holdings and other financial matters beginning May 15.

It also tightens existing lifetime bans on representing outsiders before the government on issues in which the official had "personal and substantial" dealings while in government. And it extends from one year to two the ban on acting for a private party in issues that were under the policymaker's "official responsibility" in the year before leaving public office.

These provisions, effective July 1, are not considered particularly troublesome to scientists and academics, although Atkinson criticized the requirement that even those who serve on advisory boards for as little as 20 days annually must file disclosure statements.

Far more troubling, according to those concerned, is the provision that says a former government official shall not "aid, assist, counsel, advise or assist in representing" before the government a private organization on any matter under the official's former jurisdiction. "He can't talk about anything he knows anything about," summed up an HEW official.

This could mean, said Fredrickson of NIH, "that quite possibly I would be barred from my old job" as president of the National Academy of Sciences Institute of Medicine. It involved handling government contracts and studies which concerned NIH, he said.

Another 50 persons now at NIH—"the people who run the institute, the key administrators"—would be affected, he said. "The law might mean that our usual movement from medical schools and the academic world and back would be severely impaired."

Perry of the Defense Department was formerly president of an electronics firm in Sunnyvale, Calif. "I don't believe I could return to that job under this as I read it," he said, "and I would certainly like to have that option."

Perry added that many DOD engineers who oversee research and acquisition programs have told him they are considering resigning before July 1. "We may so completely limit the ability of a technical manager to return to industry that we may not be able to hire them away from industry in the future," he said.

At the National Science Foundation Atkinson said that under the provisions of the law as outlined by a reporter, "I would probably never have come here in the first place" since he would probably be unable to return to Stanford University, where he is on a leave of absence. "If that is the case, I would think twice about whether I'd have to resign" from NSF, he said.

HEW Secretary Joseph A. Califano Jr. said that he and Defense Secretary Harold Brown had "expressed serious concern" about the matter to President Carter. "We suggested that the thing to do is to postpone the effective date of the law and have some hearings on it," Califano said. "We would hope the law could be amended."

Carter, he said, had asked aide Jack Watson to look into the matter.

Jim Graham, staff counsel to the Senate Governmental Affairs Committee that drafted the new law, said there is "a severe lack of information" among those affected. "We do think the bill is reasonable. One of the ways scientists make a living is through consulting and there is at least the same potential for abuse as there is with lawyers," he said.

He and others suggested that an exception in the law permitting "scientific and technical communications" with the government might be adapted in forthcoming regulations to solve some of the problem, although new legislation might also be necessary.

At the moment, all eyes are on Bernard Wruble, 36, who is drafting those regulations in his first week on the job at the brand new Office of Government Ethics. The post was established by the act within the Office of Personnel Management (the old Civil Service Commission) to come up with rules on application and enforcement of Ethics in Government.

"We are aware of the scientists problem," he said. "We feel we have an obligation to settle the problem well in advance of the time when people will have to act on it."

INTRODUCTION OF A BILL TO RE-AUTHORIZE THE FUNDING FOR THE 200-MILE FISHERY ZONE ACT

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

• Mr. MURPHY of New York. Mr. Speaker, the legislation I introduced today with other members of the Merchant Marine and Fisheries Committee, would authorize appropriations for the next 3 fiscal years to implement the Fishery Conservation and Management Act of 1976—FCMA—commonly known as the 200-Mile Fishery Zone Act. This legislation would insure that funding will continue to be available to the Secretary of Commerce and the Regional Fishery Management Councils for carrying out their responsibilities under this act.

The 200-Mile Fishery Zone Act became Public Law 94-265 on April 13, 1976. The act made it unlawful for the first time, beginning on March 1, 1977, for foreign fishing vessels to fish within 200 miles of our shores without a permit. Already, that landmark piece of legislation has become instrumental both at protecting and conserving the fisheries resources off our coastal shores and at promoting the development of the U.S. fishing industry.

Thus, in 1977, the most recent year for which statistics are available, the total foreign and domestic commercial catch off U.S. shores was 3.8 million metric tons, a decrease of 14 percent from 1976. However, the U.S. fishing industry's share of the catch rose to 56 percent, an 8-percent increase from 1976, and U.S.

exports for 1977 were a record \$520.5 million, up 35 percent from 1976.

The number of foreign fishing vessels operating off our shores, on the other hand, has declined along with the foreign catch. Figures released by the National Marine Fisheries Service indicate that approximately 780 foreign fishing vessels operated within the zone during 1977, about 35 percent less than the approximately 1,200 vessels that operated within the zone during 1976. At the same time, the foreign catch decreased to 1.7 million metric tons, 27 percent from the 2.3 million metric tons taken in 1976.

Early signs indicate that there is a new vigor in the U.S. fishing industry. Orders for new fishing vessels have increased dramatically, with 1,753 constructed in 1977 alone, and there is a growing interest both in replacing and modernizing the fishing gear and in building new processing plants. In Alaska alone, there were 43 plants built in 1978.

Mr. Speaker, the act is beginning to work, but much more remains to be done.

The act also established eight Regional Fishery Management Councils which were assigned the task of developing fishery management plans for fisheries in their respective regions. Thus far, only three fishery management plans have been prepared and approved by the Secretary. Two of these involve fish off the Atlantic coast—groundfish (cod, haddock and yellowtail flounder) and surf clams and ocean quahogs—and the third involves salmon off the Pacific coast. More than 65 other plans identified by the Councils still need to be developed. The success of the efforts of the Councils depends on the passage of this legislation, because the preparation of these needed plans cannot proceed without funding.

The legislation would extend the funding authorization at its present level of \$30 million for each of fiscal years 1980, 1981, and 1982.

All concerned persons agree that the FCMA is the most comprehensive piece of fisheries legislation ever enacted. As the aforementioned statistics indicate, the FCMA has already had a substantial impact on both the U.S. fishing industry and on foreign fishing activities. As the U.S. fishing industry develops, the FCMA can be expected to promote to an even greater extent the protection and conservation of the fisheries resources of the United States. •

REGULATORY CLEARINGHOUSE FOR SMALL BUSINESS

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

• Mr. KINDNESS. Mr. Speaker, yesterday I introduced legislation to provide information and technical assistance to

small businessmen with regard to Federal regulations. Specifically, my bill would establish a regulatory information clearinghouse in 10 regional offices and 83 field offices of the Small Business Administration. A professional staff person would be designated in each such office as a contact point and source of information regarding Federal regulations having a significant impact on small business.

Today, we hear considerable discussion about the need for "regulatory reform" and the threat of "overregulation." These concerns, in my view, are quite valid. But such discussions, all too often, conjure up the image of a confrontation between big government and big business. But this clearly is not always the case. Like many of my colleagues, I am concerned about the special problems that ever-increasing and complex Federal regulations impose on small business concerns throughout the United States.

Almost as much as large corporations, small businesses must contend on a day-to-day basis with extensive governmental regulation. A small businessman cannot avoid making decisions that may fall within the scope of such agencies as OSHA, EEOC, EPA, NLRB, or CPSC. While I am not proposing across-the-board exemptions for small business from governmental scrutiny, I strongly believe that some special consideration must be given to the unique regulatory problems faced by small business. A small businessman does not have the time, the staff, the overall resources, nor the inclination to adequately monitor how proposed rules and final regulations could affect his livelihood. While trade association membership can partially offset this informational gap, such services very often are not detailed or specialized enough to completely fill this void.

What small business needs then, is a readily available, continuing information source about proposed, and existing, Federal agency regulations. It seems to me that the Small Business Administration, through its 93 offices, is uniquely qualified to play this "regulatory clearinghouse" role. In fact, the statutory duties imposed on the recently established Office of Advocacy within the Small Business Administration would appear broad enough to encompass a function just such as this. 15 U.S.C. 634c. But whether the Administrator chooses to utilize the Office of Advocacy in this effort or other SBA personnel, this service should be provided.

The measure I introduce today is an amendment to section 5 of the Small Business Act. Under its terms, the Administrator is directed to conduct a continuing review and analysis of both existing and proposed Federal regulations, "which have or could have a significant impact on small business concerns." Further, the Administrator is directed to establish and maintain a regulatory clearinghouse in each branch and regional office of the Small Business Administration. These new contact points would disseminate information to small

businessmen on Federal regulatory activity, as well as provide technical assistance to individual small businessmen with regard to regulatory compliance. At least one professional staff person is required to be designated in each of the 93 Small Business Administration offices throughout the country.

The new 96th Congress will be the forum for an analysis of a number of major regulatory issues. These include: Sunset legislation, proposals for deregulating the trucking industry and the railroads, public participation, and the legislative veto. All of these items and more, deserve full debate. Hopefully, the small business regulatory clearinghouse will also find its way on to the congressional agenda.●

RUSSIA'S GLOBAL GOALS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the following article by William Randolph Hearst, Jr., concerning the Soviet strategy toward strategic territory around the globe. Mr. Hearst lists several nations—Cuba, Chile, Ethiopia, Somalia, Vietnam, and now Cambodia—who have become pawns of the Kremlin to expand Soviet influence. It is my hope that the administration and Members of Congress are cognizant of the importance of these territorial acquisitions by the Soviets or their emissaries:

RUSSIA'S GLOBAL GOALS

(By William Randolph Hearst, Jr.)

NEW YORK.—Detente is an illusion that seems to comfort President Carter and the State Department. It means nothing to the Russians, as the Vietnam invasion and takeover of Cambodia clearly shows.

President Carter, whose ineptitude in foreign affairs flourishes, must let the Soviets know that most U.S. citizens are getting impatient with their incessant conquest of countries by instigating either civil war or territorial war, to be followed by Russian imperialistic communication.

It is now a sorry record—Cuba, Chile, Ethiopia, Somalia, Rhodesia's guerrillas, Iran, Vietnam, and now Cambodia. The Russians have inspired or hired others to do the fighting, but when it is all over, the country is usually a communist nation which takes its orders from the Kremlin.

It seems incredible that this administration appears grateful to get the short end of the stick in the SALT talks, yet that is exactly the case. Ours is not a hick country. It was, until recently, the most powerful nation on Earth. But our leaders decided it was better to be like Avis, in second place, because building B-1 bombers and cruise missiles and neutron field weapons doesn't win votes.

You've got to give the Russians credit. Never before in history has any nation been so successfully involved in worldwide aggression all the while using other people's troops and not losing any of its own manpower. Russians think big. And act big. That is how they achieve conquest without war, or more accurately, without having to participate in a war.

No tears will be shed for the defeat of the despicable communist bunch in the

Khmer Rouge in Cambodia. They have tyrannized that little nation and have been responsible for more mass murders, per capita, than any other government in history.

But this is a proxy fight. China has sponsored the Khmer Rouge while Moscow has sponsored the Vietnamese. The clever lads in the Kremlin merely played upon the ancient hatreds between the Vietnamese and Cambodians and again said, "Let's you and him fight."

Supplied with Soviet weaponry, the Vietnamese, having defeated both the French and the Americans, simply crossed the border and took Phnom Penh. The governments and the people of Phnom Penh are now accustomed to being captured, so it didn't take long.

No doubt this had been on the planning boards for some time, but the Kremlin apparently prodded Hanoi into taking this step of invading Cambodia to demonstrate to both China and the United States the fragile value of their new-found friendship in the face of a crisis.

It was the Soviet's quick response to the American overtures to the Chinese.

It was a cynical demonstration of just how one-sided detente with Russia can be. While the U.S. is sitting on its hands and talking about human rights in Chile, Rhodesia and Iran, Russia is gobbling up the globe.

This, to the Kremlin, is the meaning of detente.

Beyond any doubt, Russia is engaged in a deliberate act of encirclement, starting in Indochina and ending at the Persian Gulf. If Iran goes communist, too, the Reds will have access to all of our oil tanker routes.

There was a day when the United States would have retaliated in kind. We helped create the Shah's monarchy in Iran. We helped to depose Allende in Chile.

But now such activities are described as "dirty tricks" and are forbidden in America. The CIA has been so discredited that it is virtually ineffective. People are afraid to cooperate with our chief intelligence agency because so many of our politicians delight in exposing its undercover activities.

Obviously we Americans are slow learners when it comes to international geopolitics and foreign diplomacy. If we continue to sit in the back of the classroom meditating about human rights alone, we may soon find that the rest of the class has moved on and left us behind.

With the Vietnamese invasion of Cambodia, China is face-to-face with Russia in the south as well as in the north and there is danger that the confrontation can become explosive.

Meanwhile, Prince Norodom Sihanouk, Cambodia's former king, leading playboy and one-time administrative leader, is in New York calling for help from the United States and the United Nations against Vietnam's invasion of his nation.

What the UN does about it is its own affair. As for the U.S., we must demur. We have had more adventures in Indochina than we can stand.

As hated as the Pol Pot regime was, as heartless as it was, the world must deplore the methods by which Cambodia has been destroyed. When established national boundaries are violated, the entire world must take umbrage.

One thing that we must do is to let Vietnam know that its appeals for economic and political relations with the United States are now being shelved. We cannot consider any relationship of any kind with that aggressor.

And then we must review and strengthen our ties with Japan, Australia and the Philippines. A stronger American presence there might deter Hanoi in its expansionist programs.

And while we are building our renewed

friendship with the People's Republic of China we must try hard to mend our fences with Taiwan.

Then, if Hanoi's real leaders in Moscow entertain ideas of conquest in the Pacific area, they will have to think twice about it.

Hopefully both Cambodia and Iran will serve to awaken us to the fact that the Big Russian Bear doesn't hibernate.●

A THOUGHTFUL ANALYSIS OF EVENTS IN CHINA

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. LaFALCE. Mr. Speaker, the current visit of Vice Premier Teng Hsiao-ping has understandably created a rather electric atmosphere in this country regarding United States-Chinese relations. That impact has been compounded by the forceful and winning personality of the Vice Premier.

Despite the natural excitement, we need to place this visit and the normalization of relations with the People's Republic into the proper perspective. The Vice Premier has only recently returned, and for the second time, from political oblivion, and his hold on power is not as secure as that of the late Chairman Mao. Recent Chinese history has seen violent and radical shifts in its course, the latest of which was the dramatic change from the Cultural Revolution to the Four Modernizations. While the Gang of Four is not likely to return to power in the near future, neither is the Vice Premier, who is 74, likely to remain in power indefinitely.

Amidst all of these dramatic events, a calm and long-range view is needed; and an excellent article in the January 21, 1979, edition of the Rochester Democrat and Chronicle by Prof. John W. Killigrew of SUNY, Brockport, provides the necessary perspective. Entitled "Teng Hsiao-ping and China's Dilemma," the article analyzes the present situation in terms of China's past relationship with the West and sheds a great deal of light on possible future developments in the world's most populous country.

The article follows:

TENG HSIAO-PING AND CHINA'S DILEMMA

(By John W. Killigrew)

Once again China holds center stage with the "normalization" of relations between the United States and the People's Republic and the trip next week of Vice Premier Teng Hsiao-ping to Washington.

Furthermore, recent developments within China, such as the rise to dominance of Teng and the thrust of his policy to create an industrialized China by the end of the century, are issues of interest and concern on the international scene. After his political demise during the cultural revolution, Teng has spectacularly re-emerged as the most powerful leader in China today, and if he is able to retain his political power and is successful in his efforts to build China into an economic giant, his position in Chinese history should rank with the late Mao Tse-tung.

But the critical issue is retention of political power, and the ebb and flow of political tension within the Chinese Communist Party should cause one to be less than sanguine

when analyzing Teng's staying power and the future political stance of China.

Political struggles in China have been more than a contest for power. At the root of the succession to Mao Tse-tung and the political instability among elements of the party, army, cultural revolutionaries, and the "gang of four" supporters are deep issues that are enmeshed in the drama of Chinese history since the 1840s. Contemporary diplomatic, economic, political and military questions are not momentary or purely recent in having an impact on China, and the leaders of present-day China are not unique in seeking the proper response to problems that have been at the core of Chinese history for over a century.

It has been noted by scholars that the basic issue in Chinese history for the past century has been the search for a proper response to the impact of the West.

This dilemma is defined as the *t'i-yung* syndrome: the adoption of foreign technology and science is *yung*, whereas the maintenance of a Chinese core is *t'i*.

Basically, the question that has been a constant element in Chinese history has been how much foreign *yung* in the form of technology, science, weapons, factories, arsenals, and railroads are to be absorbed while still maintaining a Chinese essence or *t'i*.

Using this as an analytical framework, Michael Oksenberg, on the staff of Zbigniew Brzezinski, President Carter's national security adviser, has posited the compelling thesis that the *t'i-yung* dilemma is relevant for assessing and analyzing Chinese politics today, and that there are identifiable groups or factions who respond to the Western impact in different ways and with different mental assumptions.

The first group, called the "ching-i" faction in the 19th century, consisted of conservative confucianists who saw the answer for China in a purified, revitalized confucian China. Contemptuous of Western technology and enraged over Western missionaries, they believed that only an aroused and politically and ideologically motivated China, seeking a perfect confucian moral order, was a viable option.

Today their ideological successors demand a socialist moral order as the proper Chinese response to American imperialism and Soviet revisionism. The content, of course, is different but ideology remains the key: stress a self-reliant, self-sufficient, frugal, egalitarian, socialist, and politically pure Maoist moral order. This group is labelled the "militant fundamentalists."

Adjacent to them on the Chinese political spectrum would stand the "radical conservatives," who seek selective borrowing of technology and weaponry, but stress China's initiative, choice, and independence. The key for this group is not isolation but interdependence with foreigners on China's terms and with politics and ideology still dominating technology.

Moving on through this theoretical spectrum, again with historical roots and precedents in the 19th century, are the "eclectic modernizers." Still holding to a Chinese essence or core, which today is seen as in industrialized and socialist China, they perceive the need of permanent relations with foreign countries at a cost of some Chinese independence, and they are prepared to accept the influx of Western science, technology, capitalist investment, and the resultant social modernization and elitism that is generated by foreign trade and industrial investments from abroad.

This group is epitomized by Teng Hsiao-ping, who is famed for his historical one-liner: "I don't care what color the cat is as long as it catches mice."

The policy of this group is also reflected in realistic articles written by a journalist from the Chinese press agency after visiting

the United States. He found America a land of automated subways, well-regulated museums, excellent park systems as well as drugs, urban decay, and freak religions. He recommended China "study their science but reject their philosophy."

At the present time Teng's political base is a coalition among those advocating some degree of industrialization and economic, political, and military ties with the foreigners. This coalition's center of gravity lies between the "eclectic modernizers" and the "radical conservatives" and is vividly symbolized in the present power sharing between Teng Hsiao-ping and Hua Kuo-feng.

Teng's visit to Washington is not only a spectacular climax to his personal career, but also a symbolic and dramatic gesture aimed at consolidating and strengthening the coalition he has created.

Although anti-Sovietism and the effort to psychologically weaken the Taiwan government are involved to a certain extent in both the coalition and the trip, the basic element remains the effort to forge a proper response for China to the thrust of the modern world and China's global interdependence. The question, as it was during the 19th century, remains: what is China's proper response to the modern world?

For Teng Hsiao-ping and his coalition, the question is can China retain a socialist, egalitarian, Maoist essence, or *t'i*, while pursuing and adopting with vigor and enthusiasm western *yung*, or technology and science? ●

LEGISLATION THAT DRIVES UP UTILITY BILLS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. MICHEL. Mr. Speaker, we are in a period in our Nation's history when, at long last, everyone is concerned with the problems of inflation. I am glad to see this, as I know you are.

But inflation is not the only cause of high bills for the average family. As Richard Elkin, president, National Association of Regulatory Commissioners, pointed out in a recent speech:

The biggest reason for (utility) rate increases today is legislation.

Mr. Elkin states that—

About 30% of (your) electric bill was caused by legislation.

What kind of legislation is Mr. Elkin referring to? Primarily environmental and other forms of regulatory legislation, created by Congress or the State legislatures, implemented by rule-happy bureaucrats and always costly to the consumer.

Mr. Elkin correctly points out that what we need is some kind of balance between the need for environmental safeguards and consumers needs. I agree and at this point I wish to insert in the Record "The Public Must Know," a speech by Richard Elkin, president, National Association of Regulatory Commissioners, at the region VII meeting of the National Rural Electric Cooperative Association as printed in the January 1979 issue of the magazine Rural Electrification:

THE PUBLIC MUST KNOW—LEGISLATION IS THE BIGGEST REASON FOR RATE INCREASES AND THE COOPERATIVES HAVE AN OBLIGATION TO SO INFORM CONSUMERS

(By Richard Elkin)

(NOTE.—Following is an address made to the Region VII meeting of NRECA, Denver, Oct. 19. Elkin's basic message has the strong endorsement of NRECA Executive Vice President Robert D. Partridge, who has directed his staff to develop a plan for a coordinated, comprehensive information program to acquaint consumers with the near catastrophic costs they are asked to bear as a result of some bureaucratic and court interpretations of environmental legislation.)

To begin with I would like to point out that I have a selfish interest in all of this. First of all, I am a farmer and a consumer. Secondly, I am a member of the state commission in North Dakota that sets electric rates for the investor-owned utilities. The rural electric is exempt from rate authority although we do site their power plants. Our agency sites the power plants and routes the transmission lines.

Secondly, we also have within our Public Service Commission in North Dakota a division called the Coal Mine Reclamation Division, which grants the permits for mining, sets up the reclamation plans and sees that the companies carry them out. On the one hand, we are the agency that sets prices and, on the other hand, we are the environmental agency that imposes certain standards.

Our job as commissioners can best be described as being the agency within each state that has the responsibility for seeing to it that the consumers get the best service at the lowest possible cost. This task is complicated to say the least. But it seems to be more difficult each year because of rising costs and the resulting increases in rates. And it is the rising cost aspect of it that today's consumer really doesn't understand. I would just like to talk about that area.

There are really only two reasons for increased costs. One of them everyone understands—inflation. I could spend an awful lot of time talking about the evils of inflation, but you are more familiar with them than I am. Just bear this in mind. If inflation runs along at the rate of about 10% a year, costs and rates will double every seven years with a compounding effect—that is without any other added costs. Inflation itself will double the cost or double the rate every seven years if you have 10% inflation. If you have 7% inflation, which is about what we have had, rates will double within ten years—just because of inflation.

Now, there was a time when the only reason costs went up was inflation. Back in the golden years of regulation, the 1950s and early 1960s, we did have inflation. But we also had something else. We had an improvement in technology which meant that each power plant that went on line was slightly more efficient than the ones that already were on line, and the per kilowatt costs went down faster than inflation. Thus we had a reduction in rates—rates were being reduced constantly for a period of years.

But all of a sudden something happened; the Congress of the United States began passing laws and now the biggest reason for rate increases today is legislation. Legislation passed by the Congress or the state legislature puts additional requirements on companies. To meet these additional requirements, the companies must make new capital investments. Also, they have increased expenses—all of this paid for by the consumers.

One example, and perhaps the biggest example in the United States, of this type of legislation is the Clean Air Act which first passed the Congress of the United States in 1967 and was amended every two years. The Clean Air Act, as it passed, set some new requirements for stack emissions and power

plants. Initially what that did was force all the companies to go back to their old existing power plants and make additional investments on those plants. In our state, a power company has a right to earn a fair and reasonable rate of return on the original cost of the power plant depreciated. Because all of the power plants around the U.S. have been used, they have all depreciated. Initially that Clean Air Act had the effect of requiring the companies to go back and increase their capital investment on each plant on the average by 45%. Initially that act increased the price of operating those power plants by 100%.

Now on new plants the situation is a little bit different and it doesn't sound quite as bad. But about 25% of the dollars that are put into a coal-fired plant today are dollars that are spent on environmental equipment. Now, I am not advocating that we repeal all of those laws. Some of those laws were needed. A question that I would like you to think about though is, where are we going from here?

How many of you are aware of the fact that last month when you paid your electric bill, about 30% of that electric bill was caused by legislation? The Clean Air Act and the Clean Water Act and, in some states a severance tax on coal, are the primary laws that caused it. But as company costs have risen because of inflation and as the effect of legislation worked its way to the rate base, up went the rates.

With each rate increase for the last several years, there has been a public outcry: letters to the politicians, especially the congressmen. They were the ones who passed the legislation in the first place which caused the rates to rise, but the outcry caused the Congress then to compose and pass more legislation.

Legislation placed more and more jurisdiction in the hands of the federal agencies. Power is constantly being taken away from state and local governments and given to new federal agencies that prescribe more and more rules costing companies more and more money and causing even louder protests about rising rates. That again creates the cycle once more that causes the politicians in Congress to propose more legislation and so on and etc.

Initially I intended to discuss Basin Electric's Laramie River Project, because Basin Electric is the supplier to 22 rural electric cooperatives in the state of North Dakota. The rural area of North Dakota does get some hydroelectric power from the Bureau of Reclamation, but primarily Basin handles all the growth because there is not going to be any more hydroelectric power unless something happens.

We have three generation and transmission cooperatives in North Dakota: United Power Association, Minnkota and Basin. Most of their power is coming from power plants that are fired by coal. The Surface Mining Act of the federal government is going to have an effect on the rates for the kilowatts coming out of those plants. The Surface Mining Act is one that many people backed. I happen to be one who was against it from the start. In North Dakota, we passed our first Coal Mining Reclamation Act back in 1969 and amended it every two years to the point that we had a real good law. The North Dakota reclamation law was the first law in the United States that the federal government's Office of Surface Mining recognized as being adequate during the interim period.

What has happened since the passage of that Surface Mining Act is interesting. The bureaucrats have set about writing rules. After all, it seems like each law that Congress passes is simple and easy to understand and the intent is very clear and no one can argue with it. But the bureaucrats begin writing laws and as of today they have over five hundred pages of rules that apply to that act.

If they continue doing this, as it appears they are going to do, they will make it impossible to mine western coal.

What has evolved in the United States today on the federal and state level is a situation where every obstructionist in this country can stop progress. These groups can go together, put their case together, go in to a judge and get an injunction to stop a project, to stop progress. But what's missing is a process by which people who feel differently can also go to court and get an injunction to start progress—that's what is missing.

And I think that one should consider a couple of things. Let's first of all ask ourselves: How much, how many dollars has this snail darter mentality cost the American taxpayer? I think it is time we think about that. The taxpayers and the consumers are paying those bills. I don't know about you; I'm just a country boy from western North Dakota. But I would like to think that the snail darter will somehow find a way to get his girlfriend pregnant—dam or no dam.

I think, though, that we should put the possible loss of the snail darter in perspective and ask ourselves this question: How much has the American public missed the dinosaur? You know a point to consider is this. I am convinced that if the private sector had stolen as much time and money from the public as the public sector has, in regard to the snail darter, we'd have an awful lot of people behind bars. What annoys me even worse is that, as a farmer, I don't know how any farmer can support any of those political groups—the 'no-growth' advocates. Because we've got to remember, as farmers, that these are the same groups that stopped the Laramie River Project, the same groups who opposed chemical spraying for grasshoppers. They are the ones who oppose using pesticides. They are the ones that say we should go back—that our farming patterns and practices should be the same as they were back in 1900. The fact is, if we farmed today the way we did in 1900, there would be food shortages. Bread would be \$5 a loaf. There would be starvation worldwide.

I think that one of the things that you and I, as rural people in this country, can pride ourselves on is that through all the inflation and all the government laws and so on, we as farmers are the only area in which efficiency has not only kept pace, but has also out-stripped the inflation that has been running. If we produced food only for the citizens of the United States, we could retire two acres out of every three. I don't know how many people realize that. It takes about one acre out of every three to produce the food and fibre that this nation needs. The production from two acres is sold to other countries around the world and if we weren't selling those two acres, our dollar would shrink even faster.

Enough about the problem. The solution has to be found—from people. The solution is people. Although we get annoyed with these groups, all of us should remember that most people are reasonable when given the facts; most people will make reasonable decisions. The bottom line is that the public must be given the facts and we must remember that the solution isn't necessarily in the political arena. These obstructionists—the "No-growthers"—are really a small minority. But they are loud and vocal. They go to their congressman. They go to their candidates running during political campaigns, put them on the spot and ask, "If you are elected, will you pass laws that protect the environment?" etc. I think it is time that rural electric and rural people start to check out the people who are running for office and ask them whether they are willing to stand up to this little, vocal minority that wants to legislate change in everybody's lifestyle.

I can't for the life of me understand how

the Governor of the State of Nebraska could take the position he did on the Laramie River Project. I think it is time all of us recognize that whether or not you are a Democrat or a Republican, it really doesn't make any difference. It seems to me that people involved in rural electric have to be rural electric first and be a Democrat or a Republican second. We have to let our feelings be known and we have to be willing to support those candidates who are going to do the job that we need done.

I would like to give several examples that I think spell out pretty well just what is happening in the United States. It seems to me that there is something terribly wrong in America when you stop to realize that from the time the idea was first put forth, it took only five years to put a man on the moon and bring him back. Compared to that five years, it takes an average of about ten years to build a power plant. Power plants that have been built, even when the technology has been around for many years, today take ten years to build from the time the company is first aware that it needs a power plant. It actually takes closer to fourteen for a nuclear plant, if you can build them at all anymore.

Of the ten years needed to build a power plant, approximately three years are used in the actual physical construction and seven years are used on paper work obtaining permits necessary to build that plant. We have in our own backyard an excellent example of the problem: South Dakota's 440-megawatt Big Stone facility, on which construction began in 1972, cost \$180-million and required 14 government permits before it was completed in 1975. An identical replica of that plant, North Dakota's 440-megawatt Coyote facility, on which construction began in 1977, has required 65 government permits. Its estimated cost is \$390-million, more than double the cost for its twin in South Dakota. All this, in only five years time.

Basin Electric has a construction project in the same area called the Antelope Valley Power Plant. They began construction early this year, even though they obtained their permit in the fall of 1977. After we issued the permit, Basin got hung up because of a situation not quite as serious as the one at Laramie River. Some environmental groups alleged that our commission had overlooked the fact that there are some prime soils on the site on which they were going to build that plant and it got our Governor a little excited and the Commissioner of Agriculture got excited. They made some public statements that caused REA to pull out and take another look at it. There was a slight delay but construction is well underway on that project fortunately. But Basin Electric had to get 69 permits and the numbers of permits is still growing.

I think it is time we ask ourselves: Who benefits from all of this delay? It sure isn't the consumer. The answer comes up clear that the only beneficiaries who benefit from these delays are the people who have jobs working in the governmental agencies that bring about the delays in the construction of the power plants. I can't help but conclude that the biggest rip off to the consumer today is by the "no-growth" obstructionists who have been successful in delaying the construction of facilities that are needed to supply energy—that the consumer needs, at prices he can afford. . . .

If there is going to be a solution to this idiosyncrasy it has got to be found in the political arena. It is going to have to be found by both the Democrats and Republicans alike. I am of the opinion that the rural electric is going to have to take the lead in presenting the facts to the public. Unfortunately, the rural electric has a job to do within their own organizations because not every local rural electric board member understands fully the seriousness of the situation. That's going to

be easy enough to correct. We have all but forgotten in America today that rural electricians are and were the first consumer organizations. They were organizations of consumers who got together and said, "We don't want to pay those high prices. We want the job done right. We want power but we want it at the prices that are the lowest possible. So we are going to build our own power plants."

We have forgotten that the rural electric movement was, is and should be a consumer movement. The credibility of the rural electric is high in all of the states. It is high on a national level because our primary interest is not windfall profits. Our primary interest is providing service to consumers at prices they can afford. And the rural electric people do have the leadership. I hope that you will take the time to understand that you're going to have to fill the void.

I think you will be surprised at how many people will be happy if you face the challenge and help bring America to its senses once more.●

THE 1979 OMNIBUS SMALL BUSINESS BILL

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. SMITH of Iowa. Mr. Speaker, after we adjourned last fall, the President pocket-vetoed H.R. 11445, the omnibus small business bill of 1978.

On January 15, I reintroduced, with Representative SILVIO CONTE and Representative JOE MCDADE (ranking minority members on the committee) as cosponsors, a new omnibus small business bill including most of the provisions which were included in H.R. 11445. Last year the House passed this 1978 omnibus small business bill by a vote of 310 to 72 and the conference report 396 to 10.

The 1979 version of this bill, H.R. 90, contains those provisions of the bill which originally passed the House which were also retained in the conference report, except that it reflects the changes in those topics which were agreed to by the conferees. H.R. 90 does not contain the new provisions which were added by the Senate, several of which were found objectionable by the White House.

Title I of H.R. 90 sets program levels and authorizations for fiscal years 1980-82; makes miscellaneous and technical amendments to the Small Business Act and the Small Business Investment Act of 1958; and continues Federal loan assistance to disaster victims at low interest rates.

Title II provides guidelines for awarding contracts under SBA's small business development center program. This program provides short courses and other help so very small businesses can handle the bookkeeping and paperwork required and better cope with new Government-imposed rules and regulations.

Title III sets the framework for a White House Conference on Small Business in 1980, to be preceded by State and regional conferences.

The SBA Federal disaster assistance loan program expired last October 1. The bill provides that for disasters occurring

between October 1, 1978, and October 1, 1982:

Homeowners would pay 3 percent interest on loans up to \$55,000 and the average cost of money to the Federal Government (currently 7½ percent) on loans above that amount; and

All others would pay 5 percent on loans up to \$250,000 and cost of money to the Federal Government on loans above that amount.

Victims of disasters occurring since last October 1 have been forced to pay a higher interest rate on SBA loans, because the law providing reduced interest rates expired. Reinstatement of the lower interest rate SBA loans to disaster victims is essential not only to provide assistance to disaster victims, but also to help the affected communities recover. This can be done at a net cost of less than \$1 per year per person in the United States and there is no way this protection has ever been provided so cheaply under any other Government or private program. This program does not contain any "forgiveness of indebtedness" which was provided in some earlier years and which resulted in fraud and abuse; and losses have been even less than they are on regular loans (4 percent).

I believe that this new bill (H.R. 90) corrects most of the administration's objections which have merit, objections which were primarily to Senate amendments to the 1978 bill. I think the President should have signed last year's bill, but I cannot conceive that the President would veto this bill. It is the highest priority small business bill and should be passed as soon as possible.

Today I have submitted a list of those Members who are cosponsors of this major small business bill. As of today there are 86 as is shown on the attached list.

I urge my colleagues who have not done so, to cosponsor this bill and show their support for this bipartisan measure.

The list follows:

COSPONSORS ON H.R. 90—1979 OMNIBUS SMALL BUSINESS BILL

Mr. Abdnor, Mr. Addabbo, Mr. Akaka, Mr. Anderson of Illinois, Mr. Andrews of North Dakota, Mr. Bafalis, Mr. Baldus, Mr. Bevil, Mr. Boland, Mrs. Bouquard, Mr. Brodhead, Mr. Burgener, Mr. Cavanaugh, Mr. Clausen, Mr. Conte, Mr. Corman, Mr. de la Garza, Mr. Duncan of Tennessee, Mr. Edgar, Mr. Ertel, and Mr. Evans of Georgia.

Mr. Findley, Mr. Ford of Tennessee, Mr. Forsythe, Mr. Frenzel, Mr. Frost, Mr. Fuqua, Mr. Ginn, Mr. Gonzalez, Mr. Goodling, Mr. Grisham, Mr. Hanley, Mr. Hagedorn, Mr. Hall of Texas, Mr. Hollenbeck, Mr. Hughes, Mr. Ichord, Mr. Johnson of California, Mr. Jones of Oklahoma, Mr. Kindness, Mr. LaFalce, Mr. Leach of Louisiana, and Mr. Lederer.

Mr. Lee, Mr. Long of Maryland, Mr. Lott, Mr. Luken, Mr. McDade, Mr. McEwen, Mr. McKay, Mr. Markey, Mr. Mitchell of Maryland, Mr. Mitchell of New York, Mr. Moakley, Mr. Murphy of Pennsylvania, Mr. Murphy of Illinois, Mr. Natcher, Mr. Nichols, Mr. Nolan, Mr. Ottinger, Mr. Pepper, Mr. Perkins, Mr. Price, Mr. Pritchard, and Mr. Rahall.

Mr. Reuss, Mr. Richmond, Mr. Roberts, Mr. Russo, Mr. St Germain, Mr. Sebellus, Mr. Sensenbrenner, Mr. Simon, Mr. Slack, Mr. Staggers, Mr. Stangeland, Mr. Steed, Mr. Thomas, Mr. Whitehurst, Mr. Williams of Montana, Mr. Charles H. Wilson of California, Mr. Winn, Mr. Won Pat, Mr. Yatron, Mr. Young of Missouri, and Mr. Zefertli.●

A SEPARATE TAX DEDUCTION FOR GIFTS TO PUBLIC CHARITY

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. FISHER. Mr. Speaker, philanthropy, the private giving of time, money, and labor has been a key element in American society from the beginning of our Nation. Americans have freely given their talents, dollars, and dedication to people in every community in this country and to people in every nation around the world.

Every town, county seat, and urban center shows the results. The schools and universities are evidence of our deep commitment to the education of our children. The day care centers and mental health facilities, the outreach programs and legal aid clinics express the determination of our citizens to assure access to human services for everyone, irrespective of their station in life. Our churches, maintained by voluntary giving, reflect the spiritual heritage and diversity of our country. The parks, wildlife preserves, nature conservatories, historic sites, and museums, acquired and maintained by the contributions of numerous citizens are monuments to our reverence for the past and our desire to preserve it for our children.

We must never forfeit the voluntary sector and its enormous ability to Government agencies and bureaucrats. There is a role for government, but there is a more vital role for the American people through their full participation in the voluntary sector.

Last year I introduced, along with my colleague BARBER B. CONABLE, and numerous cosponsors, H.R. 11183, to encourage and stimulate the charitable sector of our economy. The bill was designed to permit taxpayers who elect the standard deduction also to deduct contributions to charitable organizations.

The proposal received enthusiastic support from many members of the Ways and Means Committee. A similar bill was introduced by Senators MOYNIHAN and PACKWOOD and referred to the Senate Finance Committee.

I believe this legislation is crucial to the future of philanthropic organizations. I am pleased to reintroduce the bill with Mr. CONABLE and Mr. GRADISON. I believe it is imperative that the Congress encourage and support the voluntary sector of the American society by passing this bill.

This proposal was a primary recommendation of the Commission on Private Philanthropy and the Public Needs. The Commission, established in November 1973, and headed by John H. Filer, chairman of Aetna Life & Casualty, undertook an exhaustive study of the role of private philanthropy in our society. It generated several volumes of scholarly studies summarized in a report issued in 1975. That report recommended that the charitable deduction be allowed whether or not a person elects to itemize his or her other deductions.

There are several reasons for supporting this change—philosophical and practical. The basic one is the continuing belief that the money a person gives away simply should not be considered as income for purposes of determining the tax due. On a more practical level, the tax deduction for charitable gifts is now a familiar, proven mechanism for channeling money to socially desirable purposes. It is relatively simple to administer and not subject to political or bureaucratic manipulation.

A central question is whether the charitable deduction is an efficient inducement to giving. To what extent does the Government encourage contributions by foregoing the revenue it would otherwise collect if the money given away were taxed as income?

A series of studies by Prof. Martin S. Feldstein and others have concluded that there is a significant relationship between giving and the tax treatment of those gifts, and that tax incentives to encourage giving by low- and middle-income households would induce a substantial increase in the flow of funds to charitable organizations. In preparing his studies, Professor Feldstein relied on data compiled in a national survey by the Michigan Survey Research Center in 1973 and on material from the special Treasury tax files for 1962 and 1970.

The Survey Research Center data showing average giving by income groups for those who itemized and those who took the standard deduction make the point dramatically:

Average giving by income of itemizers and nonitemizers—1973

Adjusted gross income	Itemized	Did not itemize
Less than \$4,000	\$119	\$69
\$4,000-\$7,999	215	89
\$8,000-\$9,999	314	117
\$10,000-\$14,999	407	201
\$15,000-\$19,999	600	329
\$20,000-\$29,999	800	354
\$30,000-\$49,999	1,564	1,171
\$50,000-\$99,999	5,679	3,190
\$100,000-\$199,999	17,106	1,816
\$200,000-\$499,999	39,763	18,892
\$500,000 or more	71,316	15,000

¹ Based on fewer than 25 observations.

Source: Sample survey for the Commission on Private Philanthropy and Public Needs by the Survey Research Center of the Institute for Social Research at the University of Michigan and the U.S. Census Bureau.

My proposal will target tax relief on those taxpayers who have elected the standard deduction in prior years, who have consistently contributed to charities of their choice, and who have so often been left out when tax benefits have been made available. Most of them have incomes of less than \$30,000 per year.

Enactment of a proposal such as the one Congressmen CONABLE, GRADISON, and I are again offering is necessary in my view to reverse the flow of funds away from voluntary nonprofit organizations and to insure that community activities retain the broad support of persons in all income categories.●

OIL/GAS AGREEMENT WITH MEXICO NEEDED

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. ANDERSON of California. Mr. Speaker, with the recent cutoff of oil from Iran, the United States must find alternative sources of this resource so vital to the U.S. economy. One source with large potential is our good neighbor to the south, Mexico.

It has been estimated that only Saudi Arabia has more oil than Mexico. Yet the United States has not entered into an agreement for importation of this supply. As I understand the situation, it is due to the cheaper natural gas from Canada which the administration prefers to import. And, the Mexican Government will not export any oil to the United States without a natural gas agreement.

Yesterday Secretary of Energy Schlesinger said the administration may ban the sale of gasoline on Sunday if our oil supply from Iran does not resume by the first of April. That gives us 2 short months to find alternative supplies.

It also seems that by helping Mexico develop its oil and natural gas reserves we can cure part of our own illegal alien problem. The increased revenues from these exports will help Mexico develop more labor intensive industries for their work force. Increased prosperity in Mexico will take away some of the incentive to come to the United States seeking the good life.

Mr. Speaker, I will include for the Record a column from the January 30 Washington Post by Jack Anderson. While I cannot vouch for all the facts, it does put forth a sound argument for entering into an oil/natural gas agreement with Mexico. An agreement such as this would help cushion the United States from cutoffs of its oil supplies, not only in Iran, but from any other volatile country in the Middle East or elsewhere overseas. We should rely on our immediate neighbors to the maximum extent practicable.

The article follows:

U.S. MAY MISS OUT ON MEXICAN OIL
(By Jack Anderson)

President Carter may have blown an opportunity to tap Mexico's fabulous new oil fields for the petroleum that the United States will need in the 1980s. This would reduce U.S. dependence on the vulnerable, faraway oil wells of the Middle East.

The Mexicans were willing to boost their oil exports to the United States up to 4 million barrels a day by 1985. But they also need a market for the natural gas that will be unleashed with the oil. The wells in southeast Mexico, for example, are 36 percent natural gas, 64 percent oil.

Mexican officials reached an agreement with a U.S. consortium to pipe 2 billion cubic feet of surplus Mexican gas across the border daily in the near future. Otherwise, most of the gas will have to be burned off.

But Energy Secretary James Schlesinger squelched the deal because the Mexican gas is more expensive than Canadian natural gas. The difference would be a small price to pay,

however, to assure the United States a secure future source of oil.

The deal would also improve living standards in Mexico, where 50 percent of the working people are either unemployed or underemployed. This has sent them surging across the U.S. border by the millions. It might be cheaper for the United States in the long run to help them find a better life in their own country.

President Carter appears to be oblivious to the affront he has caused by rejecting the natural gas deal. He will fly to Mexico on Feb. 14 for a state visit with President Jose Lopez Portillo. From all available signs, Carter expects to turn on his famous smile and charm an agreement out of the Mexican leader for future oil.

But Carter may have to offer something more substantial than southern molasses. Lopez Portillo recently confided to friends how he intends to handle Carter.

The Mexican president recalled the story of Jose the house painter. Jose stood on a ladder painting the ceiling when a friend called to him. "Hang on to your paint brush, Jose," admonished the friend. Jose asked why. "Because," said the friend, "I am going to take away the ladder."

Lopez Portillo promised quietly that he intends to pull Carter's ladder out from under him. The Mexican leader said he had already made a secret deal with the Soviets to ship \$1 billion worth of oil to Cuba over the years. This will save the Soviets the cost of transporting it all the way from Russia.

Lopez Portillo complained that Carter had given Mexico a low priority until the new oil find. "I know the CIA man Carter has in my office," boasted Lopez Portillo, smiling. "The reason I don't shoot him is that he is useful."●

TAX CREDIT FOR THE ELDERLY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. PICKLE. Mr. Speaker, inflation hurts all of us, but probably no group suffers more from inflation than the elderly. I am introducing a bill that would increase the adjusted gross income limitation on the tax credit for the elderly as follows:

Taxpayer status	Present law	Pickle bill
Single individual	\$7,500	\$15,000
Joint return	10,000	15,000
Married filing separate return	5,000	7,500

My bill would also apply the same phase out of adjusted gross income to all individuals who are entitled to a credit for the elderly. The present law strangely provides no adjusted gross income limitation for public retirement system employees under age 65 while requiring it for those over 65. The elderly tax credit forms are printed back-to-back, form R for those over 65, and form RP for retired persons under age 65. A person over age 65 will frequently compute his credit under both forms and discover, to his great dismay, that he would be substantially better off if he were under 65. My bill would correct this and while it would raise the amount of the gross income limitation, apply the same rule to those under 65 that apply to those over 65.●

LEGISLATION TO REDUCE SOCIAL SECURITY TAXES

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. MATTOX. Mr. Speaker, today I am introducing legislation to reduce social security taxes.

This is not a quick-fix, stopgap remedy designed only for popular appeal. It is a moderate, reasonable plan to lower taxes as well as reform the social security system.

The Mattox plan will remove the hospital insurance (medicare) program from the social security system, and finance it from general revenues. It will be accomplished in a two-step process, with half removed in 1980, and the remainder transferred in 1981. This tiered approach is designed to minimize economic dislocation, and allow more time for the stimulative effects of the legislation to accrue.

Medicare was never designed to be financed by the more regressive payroll tax. Its benefits are not wage-related, and so it is illogical to fund the system out of wages and earnings. Moreover, putting funding Medicare financing totally from general revenues allows for annual authorization and appropriation by Congress, which subjects it to greater scrutiny and paves the way for eliminating fraud and abuse of the system. With so much of the Federal budget classified as "uncontrolled" we need to do all we can to responsibly return more budget dollars into the controllable column.

In addition, the cost of Medicare is directly related to health costs in general. If these continue to rise, the Social Security Administration has estimated that, by 1995, about one-third of social security expenditures would be for Medicare. Social security is meant to be a wage-related retirement system, and programs such as Medicare are more practically funded out of general revenues.

Besides this reform of the system, my plan allows for significant tax reduction. With Medicare no longer funded through the regressive payroll tax, and with a revised wage base formula, we can reduce taxes by over \$11 billion in 1980. The \$15,000 wage earner stands to save \$80 in 1980, and almost \$200 in 1981. A small businessman with five employees averaging \$10,000 each will save \$650 in 1981.

There is no magic to this proposal. We are not getting something for nothing. Obviously, the Treasury will no longer be getting the money it gets now from that portion of the social security tax assigned for Medicare. But it is not accurate to picture this as a raid on the Treasury. You cannot simply take the gross receipts figure and lump it on the deficit, for this ignores the stimulative effect of a tax cut. Employers will have more money, with which they can either expand their business, or hire more em-

ployees. The self-employed will retain more of their income, and wage earners will take home more pay. Whatever these persons decide to do with the extra money, there is no question that there will result a boost to the economy. Unemployment will be reduced. Economic slowdown will be counteracted. And money will find its way back to the Treasury through increased income and sales tax receipts.

The concept of general revenue financing for Medicare has been endorsed by the Christian Science Monitor, the Boston Globe, the National Federation of Independent Business, and others. A major poll of small business owners nationwide revealed that 89 percent favored funding of Medicare through general revenues.

I urge my colleagues to cosponsor this bill with me. It is a reasonable approach—not a drastic one. And it in no way reduces benefits currently scheduled for social security recipients. The American taxpayers want relief, and the social security system needs to be streamlined. The Mattox plan is a way to do both.●

THE BOAT PEOPLE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. RANGEL. Mr. Speaker, the Jewish Community Relations Council of New York recently passed a resolution urging the United States to offer a haven to the thousands of Southeast Asian refugees, especially those known as the boat people.

Once again, the poorest are suffering most during wartime, while the wealthy who began the war, and who will profit by it, rest in comfort at home. Made homeless by the Vietnam war and the other struggles for power in Cambodia, Laos, and Thailand, these poor refugees have wandered all over Southeast Asia unsuccessfully searching for a place to settle.

I urge the United States to take the action recommended by the council and to house these homeless wanderers.

The text of the council's resolution follows:

RESOLUTION ON VIETNAMESE BOAT PEOPLE

The Jewish Community Relations Council of New York is deeply concerned with the plight of thousands of Southeast Asian refugees who have been forced to flee their homelands. We note with particular dismay the group of more than 2500 people plying the Pacific Ocean in search of a safe haven. Reports of their tragic situation and the refusals of so many countries to allow them refuge recalls the desperate voyage in 1939 of the "St. Louis". With over 900 Jewish refugees on board, the boat was denied entry to many countries, including the United States. The soul-searing memory of hundreds of thousands of our brethren who could have been saved prior to World War II and the many boats of Jewish survivors who were turned away from Palestine after the war, compels us to speak out strongly at this time.

We appreciate the efforts of our government in the past and are mindful of the

hardships that accompany an influx of refugees. However, we feel that special efforts must be undertaken immediately under the leadership of the United States to ensure that history does not repeat itself.

We applaud the government of Israel for their efforts in granting asylum to a group of "boat people" plucked from Asian waters by an Israeli freighter last year and their recent decision to grant asylum to more refugees. We hope that other countries will emulate this example.

This country has a deep-rooted tradition of support for victims of political oppression and has, in recent years, resettled large numbers of Hungarians, Cubans and Vietnamese.

We believe it is now time to mobilize all available resources, public and private, for a comprehensive international humanitarian rescue program.●

CURTAIL IMPORTS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. ZEFERETTI. Mr. Speaker, I am deeply concerned over the rise of imports in many lines of manufacture, particularly in the textile industry. In the 10 years between 1966 and 1976, the number of employees in the textile and apparel industries (the Nation's largest factory employer) shrunk by more than 144,000 while imports in the last year alone rose more than 34 percent. The overall U.S. textile trade deficit in all fibers was a whopping \$3 billion in 1976 alone. I feel it is blatantly unfair to allow the lion's share of American market growth to benefit foreign industries at the expense of our own.

This situation has been aggravated by two tariff loopholes that reward the export of U.S. jobs and the exploitation of foreign labor. Technically known as items 806.30 and 807.00 of the Tariff Schedules of the United States, these provisions offer extra tax incentives for U.S. companies to expand production abroad, for sweatshop jobbers to contract out work to the cheapest labor in the world, and extra preferences for foreign imports into impacted U.S. markets.

These loopholes have cost at least 500,000 U.S. jobs directly. Indirectly, these loopholes have been a forerunner for the transfer of production abroad, at an additional loss of hundreds of thousands of jobs yearly.

The immediate repeal of these items of our Tariff Schedules is in the best interests of both the worker whose job is in jeopardy and the consumer who pays exorbitant markups on foreign-made products. I believe Congress must step into the picture in order to correct the imbalance that has developed over the years and to save our already deteriorating textile industries.

Therefore, I am introducing legislation to repeal items 806.30 and 807.00 and urge the appropriate committees to take prompt action leading to the repeal of these items. The result will mean more jobs for American workers, more production for American industry and more strength for the American economy.●

LEGISLATION TO CONTINUE AND
REAFFIRM THE FEDERAL COM-
MITMENT TO A NATIONAL CAP-
ITAL TRANSPORTATION SYSTEM

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

• **Mr. HARRIS.** Mr. Speaker, today I am introducing legislation entitled "the National Capital Transportation Amendments of 1979." My colleagues Mr. FISHER, Mr. FAUNTROY, Mr. BARNES, Ms. SPELLMAN, and Mr. DIGGS join me in cosponsorship.

Although this legislation is written specifically to amend the National Capital Transportation Act of 1969, it is in fact a continuation and reaffirmation of a Federal commitment that officially began nearly 20 years ago. The title to the National Capital Transportation Act of 1960 reads in part as follows:

The Congress finds that an improved transportation system for the National Capital region is essential for the continued and effective performance of the functions of the government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital. . . . The Congress therefore declares that it is the continuing policy and responsibility of the federal government, in cooperation with state and local governments of the National Capital region, to encourage and aid in the planning and development of a unified and coordinated transportation system for the National Capital region.

In keeping with that commitment, this legislation addresses the three major challenges faced today by the Washington Metropolitan Area Transit Authority:

First. Reaffirmation of the longstanding Federal Government financial commitment to complete a total Metro transit system in the Nation's Capital;

Second. Establishment of a method for the orderly retirement of bonds issued by the Washington Metropolitan Area Transit Authority; and

Third. Creation of an ongoing Federal participation in operating costs to reflect the special Federal benefits accruing from the Metro system.

The Washington Metropolitan Area Transit Authority (WMATA) recently released a proposed financial plan for completion and operation of the public transportation system for the National Capital area. This plan, which was developed at the request of the Urban Mass Transportation Administration (UMTA) and the Department of Transportation, presents two alternative methods to reach the stated objective. This legislation is designed to implement the alternative plan endorsed by the WMATA board. It calls for a continuation of the special Federal relationship that created Metro in the beginning. It calls upon the Federal Government to meet the obligations of a partnership entered into over 20 years ago with the local governments of the Washington metropolitan area.

It calls for a 101-mile Metro system to be completed and fully operational by 1985 at a savings of \$200 million over the other financial approach proposed.

A 101-mile Metro system has been supported by an alternatives analysis recently conducted by one of this Nation's leading consulting firms. That 18-month analysis concluded that a 101-mile system was not just the best thing for regional transportation goals, but was the best thing for the total development of the Washington metropolitan region.

A 101-mile Metro system has also recently won the support of the Department of Transportation and the Urban Mass Transportation Administration.

The 101-mile Metro system will be completed in the shortest possible time at the greatest possible savings to local and national taxpayers through enactment of this bill.

Under this bill, up to \$1.7 billion in Federal funds would be authorized beginning in 1980 for capital construction purposes. This amount added to already identified highway transfer funds would serve to complete the remaining 40 miles of Metro on an 80-percent Federal/20-percent State and local basis. This approach, which is consistent with Congress' philosophy of providing "advance authorization," would enable Metro to be fully operational 2 years sooner than would be otherwise possible and at a savings of over \$200 million.

The second major element of this legislation relates to payment of the interest and principal on the approximately \$1 billion in construction bonds due to expire in 2010. It is unfair and unrealistic to expect the farebox or the local taxpayer to cover this expense alone. The approach set down in this legislation is financially sound and consistent with federal assistance currently provided to all U.S. cities now constructing mass transit systems.

The bill calls for Federal participation in a sinking fund that would pay off the bonds as they mature and in the interest payments now borne strictly by the local taxpayers. The ratio for participation in both cases would be on an 66⅔ percent Federal 33⅓ percent local basis.

The third area addressed by this bill is a direct Federal operating subsidy to reflect the benefit and convenience of Metro to the Federal Government. In fiscal year 1980 the subsidy is \$20 million and increases at a rate of 6 percent a year to \$30 million in 1987.

The benefits of Metro to the day-to-day operation of the Government are immense. This Federal participation, at less than 10 percent of current Metro-operating costs, is small compensation for the convenience and savings from the stations dedicated to Government facilities such as the Pentagon, NIH, and Arlington Cemetery. Time and dollars saved by employees using Metro instead of taxis on official Government business and greatly decreased lost time due to inclement weather are just two other advantages of Metro to the Federal Government.

This legislation emphasizes the special obligations the Federal Government has

to the citizens of northern Virginia, the District of Columbia, and suburban Maryland when it sets special requirements that go beyond those set for similar projects in other parts of the country.

The Washington Metro system is a transit system befitting a Nation's Capital. President Johnson specified that this be so. Metro has the mark of the National Capital Planning Commission. Station and car designs were reviewed by the Fine Arts Commission. Such costly requirements do not exist for the taxpayers of Atlanta, Chicago, or Philadelphia or any other U.S. city as they design and build their mass transit systems.

Neither does any other system maintain stations built strictly at Federal Government requests as Metro does.

Neither does any other system have mass transit stations located in buildings dedicated to Federal Government use.

Metro is not just another mass transit system.

Metro is the mass transit system of the Capital of the United States.

Metro does not serve just one city or State. Metro serves three States, Virginia, Maryland, and the District of Columbia.

This legislation continues and reaffirms the special nature of Metro and the special commitment the Federal Government has to it. •

DIVIDING UP THE FEDERAL PIE

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

• **Mr. UDALL.** Mr. Speaker, inflation is one of the most serious problems facing our Nation today. People everywhere are concerned and I do not blame them, for inflation eats into paychecks and makes it almost impossible for people on fixed incomes to get by.

Although it is by no means the only cause of inflation, excess Government spending is one of the major contributors to the problem. A preliminary tally of a recent constituent questionnaire shows that the people in my district want Congress to cut waste and unnecessary expenditures from the budget. The question is where to do the cutting.

One-sixth of the Federal budget goes to pay for grants to State and local governments, many of which have experienced budget surpluses for the last few years. These grants amount to almost \$90 billion. A recent commentary by Peter Milius in the Washington Post discusses some interesting, but little known facts, about how the Federal pie is cut. I urge my colleagues to read this article and to keep these facts in mind as we examine the fiscal year 1980 budget.

The material follows:

PROMISES, PROMISES OF BALANCED BUDGETS:
IF YOU WANT TO DO IT, YOU CAN CUT
GRANTS TO STATES

(By Peter Milius)

It may be a law of nature: Whenever a governor or former governor without a federal voting record runs for president, he can

be expected to grandstand against the federal budget.

This year it has been California Gov. Edmund G. (Jerry) Brown Jr., who made national waves in his second inaugural address earlier this month by endorsing a constitutional amendment to require a balanced federal budget.

Three years ago it was two other gubernatorial types. One was Brown's predecessor in California, the actor Ronald Reagan. The other was the farmer from Georgia, Jimmy Carter.

Reagan in the winter of 1975-76 threatened to steal the show by calling for a \$90 billion federal spending cut. But he carefully exempted defense, Social Security and Medicare, and it turned out that cutting \$90 billion from the rest of the budget meant cutting the rest of the government completely in half. Reagan moved on to other, more palatable proposals.

Carter, for his part, said that he would increase federal spending in various ways (for welfare "reform" and national health insurance, to cite the two most important examples), but still balance the budget by 1980 without raising taxes. He would be able to do these seemingly contradictory things, he told nonbelievers, because the increased spending would lead to greater economic growth, which in turn would yield enough in increased tax receipts to cover the extra costs.

Carter, for good measure, also said that he would cut the defense budget. The budget that he sent Congress last week does none of these things; he is still promising.

THE STATE CONTRADICTION

That is one irony. But there is extra irony when governors denounce the federal budget—because they live off it.

One-sixth of the federal budget now consists of grants to state and local governments—and that sum makes up fully one-fourth of all the money that states and local governments have to spend.

The largest of these grants are to help the poor—through Medicaid, welfare, compensatory education and public sector jobs. Others go for bricks and mortar—sewers, highways, mass transportation systems. The school lunch program falls in the general grants category, and so does general revenue sharing, the \$7 billion a year that the federal government now gives to states and local governments to spend about as they please.

In fiscal 1977, the last year for which official figures are available, Jerry Brown's own California received almost \$10 billion in federal grants—one-ninth of the national total. Brown's state has an office here in the national capital, one purpose of which is to steer even more grants to California.

Some critics have been so unkind as to suggest that Brown could almost balance the federal budget by himself—from Sacramento. Next year's projected deficit, after all, is only \$29 billion. If California would just renounce its grants and the share of defense contracts that go to its large aerospace industry . . .

GRANTS GO FIRST

Governors ought to remember, too, that grants to state and local governments are perhaps the easiest part of the budget to cut. If one were serious about reducing spending to balance the federal budget, they would probably be the first items to go.

This year's Carter budget is a case in point. After allowing for inflation, Carter recommended that Congress increase defense spending somewhat and hold non-defense spending at this year's level. But some non-defense spending has to go up—the benefits the government pays out through Social Security and other such entitlement programs to individuals. By law these benefits, which make up more than 40 per cent of the budget, go up each year not only with inflation, but with population.

So where could Carter cut to combat inflation, which is the theme of his budget? The answer is in grants. Grants went down in real terms, and if Congress makes no change in Carter's budget, next fiscal year the federal government will be the source of 23.6 per cent of state and local spending instead of 25.4 per cent.

That is why the National Governors' Association was among the groups that squealed when the budget came out last Monday. The Carter budget would force states and cities across the country to "rewrite and rebalance their budgets," warned Kentucky Gov. Julian Carroll, chairman of the governor's group.

One presumes that Carroll speaks in this for all 50 governors—including those of the 22 states whose legislatures have adopted resolutions calling for a constitutional convention or amendment to balance the federal budget.

SHIFTING AGE MIX

Last week's budget documents made one other fundamental point worth remembering. They noted that, in relative terms, the shifting age mix of the population is likely to lighten state and local budget burdens in the years ahead while adding to the federal load.

Schools are what have added most to state and local costs in the years since World War II, but now the population is aging, and the care of the elderly is mainly a federal responsibility. Fully one-fourth of the federal budget is aid to the elderly now.

Brown acknowledged in his inaugural address that states bear some responsibility for the size of the federal budget. States "compete with each other to extract more and more federal grants that are financed out of the deficits and not the productivity of the nation," he said.

"It is therefore right," his particular brand of logic then led him to say, "that these same states join together to demand a constitutional amendment that will serve as the occasion for finally restraining the inflationary spending of the federal government."

Brown earlier in his speech bemoaned the loss of public faith in public institutions, an "anti-government mood" which he blamed in large part on inflation and unnamed "false prophets" who "have risen to advocate more and more government spending" to combat social problems.

He is right, of course. False prophets on questions of public spending have indeed disillusioned us all.

A DIFFERENT BUDGET BREAKDOWN

(By Peter Millus)

In addition to all the other economic roles it plays, the federal government is the nation's largest employer, consumer and investor. The Office of Management and Budget each year puts out a little publication that describes the government in these terms. It is an analysis of federal obligations by "object class."

You can learn from this that the government probably will have a printing bill this fiscal year of \$1.2 billion. Congress will account for a third of this.

The cost of "travel and transportation, persons," will be \$3 billion. This category runs the gamut from airplane tickets to the more than 300 million gallons of gasoline that the government will buy.

For "transportation of things," as opposed to persons, the government will spend about \$4.8 billion. Its telephone and utility bill, together with all rent it pays to commercial landlords, will come to about \$6.8 billion. Labor costs—wages plus fringe benefits—will total an estimated \$89.5 billion.

For "acquisition of capital assets," expenditures will be \$73.6 billion. These assets are divided in the analysis into equipment (for which outlays will be \$34.3 billion),

land and structures (\$9.1 billion), and investments and loans (\$30.2 billion).

Most of what the government spends, however, it does not spend on itself. In another special budget analysis, OMB estimated last week that about 42 percent of federal outlays now are "transfer payments"—checks sent directly to individuals. An additional 15 percent goes out as grants to state and local governments, while 8 percent is interest.

Only a third of the budget is for direct purchases of goods and services. Two-thirds of this—21 percent of the budget—is for defense purchases.

The remainder—about 12 percent of the budget—is for non-defense purchases. This is the amount—a little over \$60 billion—that it costs to run the multitude of civilian agencies that most people perceive as the federal government. In this sense, that government is not as large as its budget makes it seem.●

REVEREND MULLINS: SINGER,
PREACHER, AND ACTIVIST

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. MATHIS. Mr. Speaker, even though we have laws to the contrary, racial equality is not necessarily a reality throughout our great Nation. Certain individuals have devoted their lives to furthering the cause of racial equality and I believe that a recent article from the Thomasville (Ga.) Times-Enterprise concerning a man who has been in the forefront of the civil rights movement, Rev. I. L. Mullins, will give us all some insight into the type of individual who has made racial equality his goal. I insert that article at this time:

REVEREND MULLINS: SINGER, PREACHER, AND
ACTIVIST

(By Darby Tench)

For more than 30 years, the booming voice of the Rev. I. L. Mullins has been a powerful instrument of the gospel, sacred and secular music, and social reform.

Mullins, who pastors at First Missionary Baptist Church, is known throughout the Thomasville community for his rich baritone.

Mullins uses his musical gift not only in his church, but in community events such as the recent United Way Talent Show.

"I can remember singing when I was three years old, standing on a chair," Mullins said. "My training in voice started at the family piano."

With formal training, Mullins' voice developed to the extent that his teachers encourage him to attend Juillard School of Music in New York City. Juillard is one of the most respected conservatories in the country.

"I could not desert my calling," Mullins recalled. "I felt if I could sing and preach at the same time, I could fulfill my inner desire."

Mullins' speaking voice is almost as well-developed as his singing voice.

In speaking with Mullins, one gets the feeling the American theatre lost a great actor when this man joined the ministry. Mullins devotes as much attention to what he says as to what he sings.

And Mullins has plenty to say.

An accomplished speaker and preacher, he studied at American Baptist Theological Seminary in Nashville, Tenn., and the Billy Graham School of Evangelism in New York City.

He holds a bachelor's degree in sociology from Morehouse College in Atlanta and a bachelor of divinity degree from Gammon Seminary of the Interdenominational Theological Center, also in Atlanta.

While at Morehouse, Mullins' path crossed those of the makers of history, and his belief in spiritual and social brotherhood was solidified.

"I met 'Daddy' King, as we called him—the Rev. Martin Luther King Sr.—while I was in Atlanta," Mullins said.

Mullins was also a friend to Dr. Martin Luther King, Jr., leader of and martyr to the civil rights movement.

In 1963 his friendship with King and belief in his cause led Mullins to join 250,000 other civil-rights activists in the Freedom March to Washington, D.C.

"It was a mass of humanity," Mullins said. "We joined arms and marched up to the Lincoln Memorial." It was from that site that Dr. King delivered his famous "I have a dream" speech, Mullins added.

Mullins fought to realize Dr. King's dream of brotherhood long before racial equality became a cause celebre of students and liberals in the turbulent '60s.

"I went to Montgomery, Ala., in 1955," Mullins said. "That was the time of the bus boycotts—the civil rights movement started there."

Mullins was referring to the time when blacks and their supporters refused to ride Montgomery's segregated buses until, Mullins reported, "we broke the backs of the bus systems," and blacks no longer had to take a literal back seat to whites.

Mullins believes Dr. King would be "disappointed" in the degree to which blacks have advanced toward the dream of brotherhood.

"I feel he would be disappointed in the slowness with which this business of brotherhood has moved," Mullins said. He pointed out that "segregated pockets" still exist in government, in schools, and in churches.

Mullins furthermore believes many people would rather wait for another Dr. Martin Luther King than lead the movement themselves.

"There is a stalemate, a complacency in the minds and hearts of people in America to the civil rights movement," said Mullins. "Those who could be 'movers' have adopted a wait-and-see attitude."

Mullins' attitude is anything but wait and see.

He is a plaintiff in a suit brought by the Thomasville chapter of the National Association for the Advancement of Colored People (NAACP) against Thomas County.

The suit charges that Thomas County's present system of electing county officials discriminates against area blacks.

Under the present system, voters across the entire county elect officials on a one man, one vote basis.

The NAACP suit calls for ward voting, whereby voters from different districts or wards in the county would elect a representative for their district only.

Mullins believes ward voting would be a more equitable system because there are fewer blacks than whites in the county. He cited the fact that there is only one black elected official in the county in his argument for revision of the voting system.

Mullins also addressed himself to the problem of segregation in schools. The increase in the number of private schools has hampered Dr. King's dream for people to "work together, study together, and live together harmoniously," he said.

In Thomasville, Mullins sought to persuade officials at the YMCA to incorporate the two YMCA buildings, one on Clay Street, the other on Dawson Street, into a single unit.

"I fought this thing back in the late '60s," he said. He charged the two branches are

segregated, not by law, but by tradition and practice.

Mullins, who was recently elected to a third term as president of the Ministerial Alliance in Thomasville, said segregated churches result from a tradition that cannot be surmounted by law.

"I don't know any church that would turn a man aside," Mullins said. "But because of tradition, we go to separate churches. It's a business of being comfortable."

Nevertheless, Mullins added, "the most segregated hour is 11 a.m. in church."

Mullins stressed that whites often come to First Missionary Baptist services. He cited two other integrated churches in the Thomasville area.

"Perhaps we're moving in that direction," he said. "I think integrated worshipping is a long way off—I sure do."

In the meantime, Mullins continues to speak the gospel in stentorian tones. He belongs to that class of clergymen who involve themselves in social issues out of a belief in the contemporary relevance of the Bible.

And when that voice thunders over the pews, across the chairs in a concert hall, or throughout an entire community, one can bet that a lot of people will be listening. ●

CUT OUT THAT UGLY FAT IN THE BUDGET

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. MICHEL. Mr. Speaker, Marvin Stone, editor of U.S. News & World Report, has examined President Carter's allegedly lean and austere budget and finds it to be suffering from ugly fat. He points out that "programs that sometimes started out to help the poor are providing subsidies for people who are rather well-off."

I believe history will show that the past 40 years have seen the rise of what amounts to programmatic immortality in our Nation. Government programs are born, grow, mature, age, but never seem to die. Like human beings, these programs put on weight as they get older and what was once really lean and austere is now bloated and elaborate. Eventually some of these programs expand so much that they reach groups and individuals originally not considered by Congress as beneficiaries.

I insert in the RECORD at this time, "Billions for the Not So Poor," by Marvin Stone, U.S. News & World Report, January 29, 1979:

BILLIONS FOR THE NOT-SO-POOR

(By Marvin Stone)

The impression is widespread that holding down the federal budget necessarily means being cruel to poor people.

It is an argument that free-spending liberals are using to try to embarrass those who support President Carter's efforts to hold the federal deficit to 29 billion dollars next year.

We're told that Carter is "putting economics ahead of people," that roughly 190 billion dollars in federal "transfer payments" cannot be restrained—let alone reduced—without penalizing the needy.

The fact is that, even aside from monumental cheating and waste, programs that sometimes started out to help the poor are providing subsidies for people who are rather well off. That's one reason the budget is out of control.

The government last year spent about 2.6 billion dollars on child nutrition—money given to states to help pay for school lunches and the like. Children in families with incomes of nearly \$14,000 a year—about twice the "poverty level" for a family of four by official definition—got about 700 million dollars' worth of these subsidies. That money is spent, not in order to help the poor, but largely because the farm bloc thinks that it increases demand for farm products.

During the 12 months that ended last September 30, more than 11 billion dollars went for unemployment benefits. Nearly 2 billion of that was received by families with incomes above \$20,000 a year.

Welfare and medical benefits cost 75 billion last year. More than 7 billion went to families with incomes of about \$14,000 and up.

Most people think of Social Security as a system that pays pensions to the retired and supports dependents if the family breadwinner dies. Among the benefits, however, are payments to about 1 million students aged 18 through 21, eligible as survivors or dependents of covered workers who have retired, died or become disabled. The Social Security Administration estimated a few years ago a third of this money—that would be about 600 million dollars a year now—goes to youths whose families are in the upper 50 percent of the nation in terms of income.

It's fine that the government is helping educate these youngsters. But note: There is another program that offers subsidized loans to all college students regardless of the size of the family's income.

A similar pattern runs through many housing programs. Apartments are being subsidized for people with incomes up to 80 percent of the median in any locality. In a high-income suburb of Washington, D.C., developers are pushing a project that would include families making about \$18,000 a year.

Many cities are using federal funds to help rehabilitate run-down neighborhoods. In the process, professional people with high incomes are getting low-interest federal loans to refurbish dilapidated houses, with every prospect of reaping large capital gains in a few years' time.

That's good for the cities. It makes work for the contractors and building trades. But help for the needy? Hardly.

Community development takes nearly 4 billion dollars a year. Federal rules—and they are not strictly enforced—require only three fourths to be targeted on projects to help people with low-to-moderate incomes. What are moderate incomes? They can be way above the poverty level. And how about the other 25 percent, nearly a billion dollars a year?

Then there's the public-service-job program—more than 10 billion dollars last year to help pay the wages of people who were placed on local public payrolls to help reduce unemployment. Some of these jobs pay more than \$13,000 a year.

These examples—and there are many more—are enough to show that the budget can be reduced without penalizing the poor. ●

THE POLICY OF ACQUIESCENCE

HON. JIM MATTOX

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. MATTOX. Mr. Speaker, I am one of those believing that in our rush to "normalize" relationships with mainland China, we have treated Taiwan to a good dose of American expediency.

Granted, we need to recognize the realities of Asia today. We need to acknowledge the existence of a nation so large as to make three of us, the People's Republic of China. And we need to acknowledge the political realities of the balance of power in our world in order to better deal with the exigencies in a more respected way.

But what of the Republic of China, long an ally, trading partner and friend? I question the necessity of what appears to be our new "policy of acquiescence" to all of the Communist's demands that we cut all official ties with Taiwan.

I am one who feels that the bargain should have been driven a little farther—that perhaps we should not have "acknowledged" the mainland's claim of sovereignty over the island of Taiwan and all territories under its jurisdiction when we agreed to establish diplomatic relations with People's Republic of China. It is not within the Congress jurisdiction to reverse our last communique, but it is within our purview to help set our policy from now on with regard to Taiwan.

The Republic of China on Taiwan went in one morning from a distinguished friend to a nonentity. At the moment of normalization, diplomatic relations were broken off, all American military personnel in Taiwan were put on notice that they would be withdrawn within 3 months, and the longstanding Mutual Defense Treaty was abrogated all, I understand, with but a few hours notice. It is my belief that all of this was handled at best indelicately, and at worst insultingly, to the ROC.

Now, I seek to affirm our commitments to assist in the defense of Taiwan should the island be attacked. I want our Government to have the appropriate authority to supply weapons necessary to meet the defense needs of the Taiwan people, and I want business, cultural and educational interests between the people of Taiwan and the United States to remain constant. These 17 million people, who have fought so hard in concert with us for 30 years for their success, deserve nothing less. It should not be forgotten what a highly developed and self-sufficient society the Republic of China has grown to be in only a short time. Indeed, this small country is the first graduate for our "foreign aid" school. During the Eisenhower years, the United States poured money into Taiwan, trying to help. Now, this nation continues to come to the United States for both security assistance and goods, but it pays for everything, allowing us to make a profit. Further, the Republic of China on Taiwan is our eighth largest trading partner and many U.S. jobs depend on this fact. And finally there are the more than 4.5 billion U.S. dollars invested in Taiwan.

Are we to forego such a productive situation merely because the mainland Chinese ask us to? It is not our duty to settle the dispute between these two countries by allowing ourselves to be used by one source to pressure the other.

In my opinion, a two-China policy is possible without the mainland Chinese reneging on our new-found relationship

with them. The 900 million people of the mainland are woefully behind in technological development. Vice Premier Deng is committed to a modernized China and now for the first time in many years, his people are beginning to taste the pleasures of Western culture again. In short, Vice Premier Deng needs the United States as much as our growing trade deficit and desire for a strong Peking-Washington-Tokyo link, needs normalization. It is time we made a decision founded on reality.

There are two Chinas. We need both official and legal ties with Taiwan to protect our interest there and therefore I am asking through this resolution that Congress express its sense that the Republic of China is the sovereign government of Taiwan and other areas under its control and that the United States should establish full diplomatic relations with that government. And, that during any period prior to formal recognition, it is imperative that the United States maintain an official liaison office on Taiwan so that U.S. relations with and policies toward, the Republic of China, continue to closely approximate those existing prior to January 1, 1979.

Introducing this resolution is a move I feel I have to make. I know it expresses the views of my constituents who want most of all to protect our honor and credibility abroad. The United States has historically been a peacemaker between nations, sometimes bringing peoples together who have been at odds for hundreds of years. It is incredible to me that now we appear to be so haphazard in our own negotiating. The People's Republic of China should not be dictating to us with whom we can have official ties. And as long as the Taiwanese Government upholds its part of all of our mutual agreements as meticulously as it has for the past 30 years, we should have legal, governmental relations. The alternative is to allow other nations to witness the deception and expediency of our casting a friend adrift.

Mr. Speaker, I am introducing this resolution with my colleagues inviting the suggestions, discussion, and support of the other Members of the House.●

IMPROVING TUNAFISHING TECHNIQUES: GOOD NEWS FOR PORPOISES

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. VAN DEERLIN. Mr. Speaker, the widespread concern over the accidental killing of porpoises during tunafishing operations in recent years has led to a cooperative research project in San Diego, home of the largest tuna fleet in the United States. Industry, Government, and academia have come together to make the dedicated research vessel program work.

Under Dr. William E. Evans of Hubbs-Sea World Research Institute and in cooperation with the National Marine

Fisheries Service, the Marine Mammal Commission and the U.S. Tuna Foundation, the seiner *M/V Queen Mary* stopped fishing for 12 months and served as a research platform.

During six cruises and a total of 250 days at sea the *Queen Mary* collected data and experimented with alternative methods of tunafishing less dangerous to the dolphins. We can expect this research to be quickly evaluated and passed on to the fleet, leading to further decreases in the porpoise mortality rate.

I would like to applaud Capt. Ralph Silva and the crew for their dedication and commitment to this important and humane research. I am told Captain Silva even swam beneath the researchers' nets to guard against sharks while the experiments proceeded. That is dedication.●

IRANIANS, MAOISTS, AND SELECTIVE LAW ENFORCEMENT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. McDONALD. Mr. Speaker, the high bail set for 69 members of the Revolutionary Communist Party who were arrested in an attack on the U.S. Park Police on Monday, January 29, while certainly appropriate is a far cry from the kid glove treatment accorded the Iranian Students Association when its militants attacked the Park Police in a virtually identical manner in November 1977.

The Iranian Students Association had by then a 10-year record for staging violent demonstrations and assaulting police. For 3 years I had been placing public documentation into the CONGRESSIONAL RECORD that detailed the ISA's violent record, its revolutionary ideology, and its connections with terrorist groups in Iran that had killed Americans. There is no question that law enforcement authorities were adequately informed about the ISA's violent proclivities, about its preparations for a violent demonstration in Washington, and about probable tactics. There is also little doubt that the Park Police and Metropolitan Police of the District of Columbia had every intention of carrying out their duty to protect the public order.

However, the occasion of the ISA demonstrations was a visit by the Shah of Iran, a friend of the free world who was unpopular with the Carter administration for allegedly restricting the civil rights of terrorists and revolutionaries. The police were told by the White House to "keep a low profile" at the ISA demonstration because the White House was concerned about its "human rights image." As a result of that interference, Park Police officers and groups of people peacefully assembled to welcome the Shah were beaten by ISA members armed with wooden clubs. Only a handful were arrested and these were released on low bail.

This time, the demonstration was on the occasion of the visit of the Red Chinese Vice Premier, a leader of a Communist party that is responsible for the deaths of 60 million Chinese from murder, malnutrition and overwork caused by the Chinese Communists' policies. And the demonstration was by another group of Communists who support a faction of the Chinese Communist Party thrown out of power by Vice Premier Teng.

This serves to underscore the very special treatment that has been accorded to the Iranian Students Association cadres by the Department of Justice.

Recently there have been press reports that President Carter watched the film footage of the vicious ISA attack on the California home of the Shah's invalid 92-year old mother, that he personally became very angry, and that he has ordered Attorney General Griffin Bell to take deportation procedures against Iranian militants convicted of violent crimes.

Mr. Speaker, I would like to point out that this country does not need a President whose policies are based on an emotional reaction to the CBS Evening News. Had the President merely insured that his administration enforced the U.S. Code's Civil Rights Act provision on masked demonstrators and the immigration laws the ISA would have had great difficulty organizing the 1977 Washington riot or the ensuing riots in Chicago, Los Angeles, and Beverly Hills.

Perhaps the firm treatment accorded the Revolutionary Communist Party on Monday coupled with the reports of long overdue Justice Department action regarding Iranian student law-breakers indicate that the administration is at last showing concern for the rule of law in America. If this is so, we certainly support it, but ask why it took so long.

The record of this House will show that on four occasions I have alerted the Justice Department to the violent criminal activities of Iranian student militants, and now we have some belated action. That is fine, Jimmy, Griffin, William, and Leonel, but why did it take you so long? ●

DR. STEPHEN SPURR: FORESTRY PRODUCTION CAN BE DOUBLED

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. PICKLE. Mr. Speaker, I am pleased to call your attention to an article in the February issue of Scientific American written by a forestry expert at the University of Texas at Austin.

In his article, Dr. Stephen H. Spurr says the productivity of American forests can be doubled or even tripled in the next 50 years, through proper forestry management techniques. These management techniques are known in the trade as silviculture.

Dr. Spurr is a professor at the Lyndon

B. Johnson School of Public Affairs at the University of Texas. He is also president-elect of the Society of American Foresters.

Dr. Spurr has some worthy ideas and I commend his article to my colleagues:

SILVICULTURE

(By Stephen H. Spurr)

Just as agriculture is the cultivation of fields, so silviculture (from the Latin *silva* or *sylva*, meaning forest) is the cultivation of forests. The former is far more widely practiced than the latter. If the forests of the world are to be counted among the world's renewable resources, however, silviculture will have to be much more widely and intensively practiced than it is now. The rewards could be substantial. Allowing for the realities of ecology, economics and politics, one can still calculate that the application of demonstrated silvicultural principles could double and possibly triple the productivity of the commercial forests in the U.S. within 50 years.

The land area of the world amounts to some 13.3 billion hectares, or 32.8 billion acres. (A hectare is 2.47 acres.) About a third of the area, or 4.1 billion hectares, is classified by the Food and Agriculture Organization of the United Nations as being forestland. Most of the major regions, except for Asia and the Pacific, have at least a fourth of their land under forest; in North America, South America and the U.S.S.R. the total is more than a third. In the U.S. 305 million hectares (a third of the land area) is classified as forestland. Some 202 million of those hectares can be characterized as commercial timberland under the definition established by the U.S. Forest Service: land capable of growing at least 1.4 cubic meters of timber per hectare per year (20 cubic feet per acre) and not legally withdrawn from timber harvesting, as the wilderness areas designated by Congress are. The fact that a given area is classified as commercial timberland does not necessarily mean that timber is harvested on it or even that it has a stock of trees, only that it is capable of producing wood at the defined rate.

Another standards employed by the Forest Service defines wood as the merchantable boles, or trunks, of forest trees that are at least five inches (12.7 centimeters) in diameter at a height of 4.5 feet (1.37 meters) above the ground; the definition includes all wood above a one-foot stump and extending upward to the point where the trunk becomes less than four inches in diameter. By this definition about half of the total biomass produced by a forest is usable wood. One should bear in mind that the forest has many other values, most of which cannot be priced. The respiratory processes of forest trees, taken together, play a major role in removing carbon dioxide from the atmosphere and discharging oxygen into it. Forests are the principal source of fresh water, since they occupy most of the land area of the world that is not frozen and where precipitation exceeds evaporation. Forests everywhere are an important source of browse for both livestock and wildlife. They also provide much space and opportunity for human recreational activity.

TYPES OF FOREST

One tends to think of a forest as consisting of a variety of trees that have established themselves through the more or less random effects of natural forces. Actually a forest is more likely to consist of a fairly limited variety of trees, mainly because the conditions of temperature, rainfall and sunlight are favorable for certain species and unfavorable for others. Where human managers have taken a strong hand, a forest may consist of a single species of tree.

Because of environmental effects it is possible to classify the major forest types of the

world into a fairly small number of groups. The forests of the high-latitude regions of the Northern Hemisphere known as boreal forest are dominated by stands of such conifers (needle-leaved trees, or softwoods) as spruce, fir and larch. In the middle latitudes of the Northern Hemisphere the forests tend to consist both of conifers such as pine and Douglas fir and of broad-leaved deciduous trees (hardwoods), notably oak, beech and maple. Close to the Equator one finds the tropical rain forests, dominated by broad-leaved evergreen trees (a wide variety of species) that are adapted to hot and humid conditions.

In the U.S. the Great Plains divide the predominantly coniferous forests of the West from the mixed coniferous and broad-leaved forests of the East. Along the Pacific Coast, Sitka spruce, western hemlock, Douglas fir and, in northern California, redwood are the principal tree species. Inland to the crest of the Cascades and the Sierra Nevada, Douglas fir is the most abundant, with cedar, true fir, hemlock and other conifers growing in various mixtures depending on soil, elevation and precipitation.

From the east-facing slopes of these mountains eastward at higher elevations in the Rocky Mountains ponderosa pine occupies the lower and drier slopes, with lodgepole pine growing on cooler and wetter heights and Douglas fir, Englemann spruce and true fir forming the highest continuous forest. In the northern Rocky Mountains near the Canadian border western white pine and western larch are locally important. In the Southwest piñon and juniper constitute widespread low-elevation scrub woodland between the ponderosa-pine region and the desert.

In the East a mixed hardwood forest is found everywhere (characterized by oak and hickory mixed with other broad-leaved trees) except in the northern tier of states, where maple, beech and birch constitute the Northern hardwood forest. In the drier sandy and rocky areas, however, pines grow well, particularly in the broad belt of the coastal plain and the Piedmont region extending from Virginia to Texas, where pines (loblolly, shortleaf, slash and longleaf) make up the Southern pine forest, the most economically important forest in the East. In the Northern states other pines (white, red and jack) are locally important. The same is true in the lake states and northern New England of species that extend out from the Canadian boreal forest: spruce, fir, aspen and birch. In the Southeast bottomland forests of gum, bald cypress and oak are characteristic.

The experience of people living in industrialized countries does not suggest that nearly half of the wood felled in the world is consumed as fuel, but that is the case. Of the total wood harvest of slightly more than two billion cubic meters per year, 990 million goes for fuel; the rest is put to use in industry. At present wood serves as fuel mainly in the less industrialized countries, where it is burned directly. It is quite possible that the industrialized countries will turn increasingly to wood as fuel, not so much by burning it directly as by making more use of bark and industrial by-products and by converting wood or wood residues into methanol, gas and charcoal.

In industry wood serves not only as a source of structural products (lumber, plywood, particleboard, flakeboard, fiberboard, insulating board) and fiber (the basis of paper, cardboard and many other pulp products) but also as a source of extractive materials (oils, tannin, naval stores, drugs) and chemicals (sugars, alcohols, phenols). In the U.S. about 63 percent of the 250 million tons (226 million metric tons) of raw wood processed annually by the forest-products industries goes into primary structural materials and 35 percent into fiber-

based products. The Forest Service has predicted that demand in the year 2000 will be double what it was in 1970, with about half of it going into structural products and 46 percent into fiber-based products.

FOREST MANAGEMENT

All forests are affected to some degree by human actions. In the broadest sense all such effects could be termed forest management. Even in the national wilderness areas of the U.S., where cutting, road construction and the use of motorized vehicles are prohibited by law, human activity touches the forest in many ways. The global burning of fossil fuels increases the amount of carbon dioxide in the air. People introduce exotic plants and animals to the region and change the balance of wildlife by killing predators. Even inactivity can influence the forest, as when a decision is made not to fight a particular forest fire or not to deal with a particular epidemic caused by insects or disease.

Until about 1950 the history of the American forest had been largely one of exploitation, that is, the forest had been treated as a nonrenewable resource. The American Indian used fire to drive game into the range of his bow and arrow. The European colonist depended on the forest for fuel and lumber but at the same time cleared much of the eastern U.S. for farmland. The land that was too infertile or too steep and rocky for farming was logged repeatedly for lumber and for fuel to heat homes, smelt iron and run locomotives. Only with the opening of the coal deposits in the Appalachians did coal supplant wood as the basic source of energy. By then, however, little of the precolonial forest remained in the East. Today it has virtually disappeared except for remnants that are protected in state parks and other reserves. About 15 million acres (5 percent) of the 359 million classified as commercial forestland in the East (east of the Great Plains) do not have enough trees to be regarded as forest.

As the West was opened early in the 19th century many Eastern farms were abandoned. The unused fields and pastures seeded into pines and other pioneer tree species, giving rise to a second forest that reached commercial size early in this century. Hardwoods that had seeded in under the conifers took over when the conifers were harvested. As time passed shade-tolerant hardwoods gradually crowded out the less tolerant species, thereby continuously changing the composition of the forest. Many variations of this old-field succession have resulted from infinite combinations of climate, site and the forest's history of fire, wind, logging and seed years (the intermittent times, usually about every third, fourth, or fifth year, when this or that resident species of tree puts out a large number of seeds). As a result of these ecological forces, including human activity and inactivity, the present Eastern forest is quite different from the precolonial one. For the same reasons it will be quite different again several decades from now.

In the West the harvest of the old-growth, precolonial forests has proceeded apace. Extensive logging began on private lands—usually the lower, flatter and most productive ones—in about 1900 and in the national forests, which cover most of the mountains, after World War II. Today little of the old-growth forest remains on private land. Much of the second-growth forest on land owned by timber and paper companies has been put under management.

In the Western national forests, which constitute 55 percent of the commercial forestland west of the Great Plains and 50 percent of the nation's entire supply of standing sawtimber, the remaining old-growth stands are interspersed among other areas that have been burned or clear-cut and reforested. Middle-aged stands are less plentiful, since

little logging was done before World War II; they owe their existence mainly to fires that occurred early in the century. In the ponderosa-pine national forests of the interior the tendency is to harvest trees quite selectively, since the species grows on relatively dry land that is likely to support only grass or sagebrush if the forest is clear-cut. In the fast-growing national forests of Douglas fir and associated species west of the Cascade-Sierra summits the practice is basically to clear-cut 40 acres or more in a patch. Some six million acres (5 percent) of the 129 million in the West that is classified as commercial forestland have no significant stock of trees.

STRATEGIES OF SILVICULTURE

Until the 18th century silviculture was rudimentary and rarely practiced. The foresters of western Europe during the Middle Ages were mainly game wardens who patrolled hunting reserves for feudal landlords. Trees were treated as a readily available natural resource to be exploited without much regard for their replacement. Exploitation is still the rule in much of the world, particularly in the Tropics and in the boreal forests.

By the 18th century the need for fuel wood and lumber in western Europe gave rise to silvicultural practices aimed at the reforestation of cutover areas and the management of forests for the sustained production of wood and other values. This approach, still widely followed today, is termed conventional extensive silviculture. It emphasizes systems of harvesting mature forests so as to encourage natural regeneration. The technique also includes the thinning of growing stands to increase the growth in diameter of trees that will eventually be harvested.

During the same period many of the hardwood forests in western Europe were converted into stands of softwood by the clear-cutting of the existing woodland and the planting of pure stands of Scotch pine and Norway spruce. Most such conversions succeeded, and so the growing of valuable commercial tree species in more or less pure stands became commonplace throughout much of the developed world. This technique, which can be called conventional intensive silviculture, is highly developed in the Douglas-fir forests of the Pacific Northwest, in the southern-pine region of the U.S. and in pine plantations of western Europe, South Africa, New Zealand, Australia and Chile. It is, in effect, tree farming.

By the middle of the 19th century the second and third crops of conifers were being grown on plantations in Germany, Switzerland and France. Professional foresters (by then the product of forestry training in universities) began to notice that yields were often lower than they had been for the first crop, particularly for spruce grown outside its normal habitat. The foresters attributed this decline to the formation of acid soil under forests consisting of only spruce or pine. (The needles of such trees have a low nutrient content and on falling to the ground form a raw humus that is quite acidic.) Among these foresters another concept of silviculture developed. It can be termed the naturalistic approach, in which attention is paid to the matching of trees to the ecology of the site. The concept also calls for the maintenance of a mixture of trees, including hardwoods because the leaves that fall from them will attract soil-building organisms and so help to maintain the fertility of the soil.

Finally, within the past decade the rising interest in the use of plant materials as a source of energy and of chemical feedstocks has led to much discussion of and some experimentation with the idea of short-rotation silviculture. In this concept trees that grow quickly are harvested as often as every two years.

The reader who has been counting my

enumeration of silvicultural strategies will be aware that I have named five: exploitive, conventional extension, conventional intensive, naturalistic and short-rotation. A number of intermediate approaches also exist. In each of the five basic strategies many fundamental questions remain unanswered.

For example, it can be argued that the exploitive approach is not really silviculture, since it involves only the cutting of trees without regard to the regeneration of the forest. Still, it is a form of forest management. From the standpoint of maximizing the economic return to the owner from the trees, such a harvest may well be justified on the grounds that the cost of reestablishing the forest may exceed the expected return from the new stand of trees. (The U.S. national forests are operated under a Congressional mandate that they must be managed for a sustained yield; in them the exploitive approach is therefore illegal regardless of its economic merits.)

Under a policy of exploitation the harvest of trees is termed a commercial clear-cut if most of a stand is removed and a selective cut or a high-grading cut if only the most valuable trees are cut and a substantial number of less valuable ones are left. That number will depend on the age and structure of the forest as well as on economic considerations. Many of the trees that are left will fall because of wind or the weight of ice and snow once they have been deprived of support from the harvested trees and exposed to the elements.

The disadvantages of the exploitive approach are well known and frequently stated. First, a large commercial clear-cut is an ugly wound in the landscape and will remain that way for at least several years. Second, the careless cutting of roads through the area and the indiscriminate use of heavy logging equipment may result in severe erosion. Third, much wood may be wasted through the destruction of trees that have grown for years but have not attained marketable size. Fourth, the impact on wildlife, water supply, recreation and other values is often severe. Finally, the regeneration of the forest is left to chance and may or may not occur.

An exploited forest can be left as it is in the hope that the surviving trees will be supplemented by natural regeneration, so that a more or less fully stocked second-growth stand eventually develops. More often than not, however, the best course will be to bulldoze the pitiful remains or spray them with herbicide, burn the site to reduce the organic remains to wood ash and replant with conifer seedlings big and hardy enough to form a new stand.

CONVENTIONAL SILVICULTURE

Two main practices have come to exemplify conventional extensive silviculture as it has evolved over the past two centuries from its beginnings in western Europe. One is the harvest of mature trees through silvicultural systems, which are cutting patterns designed to ensure the regeneration of trees in the cutover areas. The other is the technique of thinning and making other cuttings in order to free the potential crop trees from undesirable competition.

The emphasis in conventional extensive silviculture is on maintaining a sustained yield of wood. Under this strategy trees are grown until their boles are large enough to be sawed into lumber. In the national forests of the U.S., under policies adopted by Congress, the rotation age is set at the culmination of mean annual increment, that is, the age at which the trees of the forest are producing their largest average cumulative growth. In practice this policy means that trees are grown larger on public lands than on private ones, where economic pressures usually favor earlier harvesting. The rotation age for most commercial tree species

in the U.S. tends to fall between 40 years (pulpwood harvested on private land) and 100 years (timber cut for lumber in national forests).

The silvicultural systems employed for harvesting mature trees can be grouped in four categories. One is the selection system, which consists of light partial cuts repeated every few years to create a forest of uneven age. The technique is suitable only for the relatively few commercial tree species that can thrive for most of their life in shade.

Most commercial tree species do best under full sunlight and must be grown in stands of even age. The other three silvicultural systems are designed to create such stands. One is clear-cutting, with or without subsequent planting or seeding but at least with thought given to natural regeneration and with care taken to minimize the damaging effects of the harvest. A second technique is to leave seed trees standing; it is not much employed because the trees left are likely to be brought down by wind or ice, they may not produce enough seeds to restock the forest and they may be so few in number that it is not worthwhile to return later and harvest them. The final system is called shelterwood cutting, because the mature stand is removed in two or more partial cuts so that the new stand can become established under the shelter of a partial canopy of remaining trees.

As for thinning, it is usually done in pole-size stands. From 25 to 40 percent of the stand may be cut, partly to harvest early the trees that appear likely to die and partly to increase the ultimate diameter of the remaining trees. Except for a few species that tend to stagnate under crowded conditions, thinning will not normally produce higher yields per unit of area but will improve the growth of the bigger and more valuable trees. A commercial thinning is economic when the trees that are removed can be sold for pulp, fuel or other purposes for which wood of small dimensions is appropriate.

Conventional extensive silviculture is widely practiced in western Europe, the U.S. and many other temperate regions. Since most of the silvicultural operations carried out under this heading pay for themselves in terms of wood products extracted, no substantial capital investment is required. The main cost is in foregone profits.

On the other hand, such operations may be insufficient to maintain a continuous yield. Natural regeneration may fail, so that the site has to be planted or seeded. Young trees of desired species may have to be freed from competition with unwanted species. Other investments may be needed to achieve a fully stocked forest and maximum growth. In this way silviculture becomes more intensive.

The growth and yield of trees can be substantially increased by the application of intensive silvicultural techniques. Even so, since it takes decades to grow a crop of trees, the economic incentives for applying the techniques may be less than enticing. Indeed, the investment made to establish a stand or to increase its growth may exceed the anticipated increase in the value of the final crop. Nevertheless, intensive silviculture, involving the investment of considerable amounts of capital in the forest, is becoming increasingly feasible and is being more widely practiced, particularly by industrial landowners seeking a continuous supply of wood for their lumber, pulp and veneer mills.

In intensive silviculture the landowner employs at least one and probably more of the following techniques: (1) Work is done on a cutover site to prepare the land for planting or to create surface conditions favorable to the natural regeneration of the stand. (2) Forests consisting of species that grow slowly or are of less value than another

species that could grow on the site are removed by clear-cutting, and trees of the more desirable or faster-growing species are planted. (3) Stock that has demonstrated improved genetic characteristics is planted. (4) Herbicides are employed to reduce unwanted competition, mainly from hardwoods of limited commercial value. (5) The stand is thinned before maturity to counter stagnation and to stimulate the growth of potential crop trees. (6) Fertilizer is applied to the stand to compensate for deficiencies of nitrogen and phosphorus. (7) Pesticides are applied on prescription to reduce serious threats from insects and fungi.

Consider the potential of just one of these treatments. The Forest Service estimates that gains in yield of from 8 to 15 percent in one generation could be achieved through the genetic selection of Douglas fir in western Oregon and Washington. On the better sites the yield could be doubled by the third generation. Already gains of from 10 to 20 percent in volume and in quality are being realized in the first generation from the genetic improvement of Southern pines.

OTHER TECHNIQUES

The naturalistic approach to silviculture is typified by practices in Switzerland. Moving away from the concept of pure stands of even age and from strong-arm methods of cultivation, the Swiss have come increasingly to rely on natural tree types and natural successional trends as a basis for their silviculture. The mixed stand of uneven age has become the ideal.

The main arguments for this technique are that it requires little capital and entails few risks. Once a forest is established along naturalistic lines it is maintained by periodic light partial cuts designed to produce the highest economic return consistent with the maintenance of a mixed, continuous forest of uneven age. The site does not deteriorate, and the generally quick establishment of acceptable species reduces silvicultural investments to a minimum. A naturalistic forest is less likely than a pure stand to be susceptible to attack by disease and insects.

Certainly such a forest can be productive and profitable for some species of tree on some sites. It is equally certain that an even-age forest of the same species can be grown and that it will often produce more biomass and higher economic returns than the naturalistically managed forest. One simply cannot generalize. Both naturalistic silviculture and conventional silviculture have a place in forest management. What to grow and how to grow it are decisions that must be made for a particular site according to the conditions of climate and soil that exist there.

The short-rotation approach to silviculture consists in producing large quantities of tree material by selecting highly efficient photosynthesizers and growing them under intensive cultivation with frequent harvesting. The proposal to develop "biomass plantations" is essentially a return to a form of the coppice system that was employed extensively in Europe and the eastern U.S. during the 19th century to produce fuel from stands of hardwood that were harvested on short rotation and regenerated by sprouting from stems. In the current manifestation the strategy is to rely on such fast-growing species as cottonwood, sycamore, red alder and aspen, to harvest the stands mechanically on rotations of from two to four years (when the trees are from 10 to 20 feet high and from one to two inches in diameter and can be converted into chips for fuel or chemical feedstock), to rely on sprouts from the remaining stems for reproduction (or on root suckers with aspen) and to cultivate and fertilize the sprouts intensively. Yields of several tens of tons of oven-dry plant material per hectare per year are predicted on the basis of the physiological potential of the trees and of studies made on small plots.

If such yields could actually be attained over broad areas without heavy investments of energy in fertilization, irrigation, cultivation and harvesting, short-rotation silviculture would indeed have considerable promise. Unfortunately it has not yet been possible to grow hardwoods in plantations with any great success, let alone to grow them at the rates achieved in trials of genetically superior stock under intensive care in the nursery or some other carefully monitored condition. This is not to say that the experimental work has been unsound but rather that it has not been possible to transfer the results to operations of commercial size.

THE SILVICULTURAL OUTLOOK

Forests have a considerable potential for producing energy and chemical feedstocks. For example, if the energy value of wood is taken to be 7,500 British thermal units per pound, the annual net primary production of the world's forests is roughly 1,200 quads (a quad is one quadrillion B.t.u.) or five times the world's use of 230 quads of energy in 1975. Robert L. Burgess of the Oak Ridge National Laboratory has estimated (on the assumption that the annual aboveground growth of the world's forests is 13 billion metric tons, of which half is economically accessible) that one million megawatts of electricity could be produced from wood on a sustained-yield basis—about twice the present generating capacity in the U.S.

In 1970, the annual growth rate of the commercial forests in the U.S. was estimated at 2.7 cubic meters per hectare (38 cubic feet per acre). If all the commercial forest areas were fully stocked with trees and balanced in age classes, the potential growth would have been 5.2 cubic meters per hectare per year. The biological productivity of the commercial forestlands of the U.S. is such that the net realizable growth of the forests could be doubled within half a century by the widespread application of proved silvicultural practices. With a widespread application of intensive silviculture, including the complete use of hardwoods and the utilization of the entire tree of every harvested species, the potential productivity of the forests in the U.S. would be closer to three times the present level.

What are the possibilities of improving on demonstrated silvicultural practices through research? In the U.S. research on silviculture and on related aspects of forestry has largely paralleled work in agriculture. It is carried out by the Forest Service at 82 laboratories, by workers at some 60 universities (mostly with Federal funding) and by a limited number of wood-using industries. The present level of activity is about 400 scientist-years devoted annually to research relating to the biology, cultivation and management of forests, to the genetics and breeding of forest trees and to the economics of timber production. For more than 50 years extensive studies in the laboratory and in the field have dealt with the ecological and physiological requirements of the principal tree species. The point has been reached where silviculturists understand the interaction of these trees with their environment, including the major insects and disease that form part of the forest ecosystem.

Several accomplishments can be cited. Two of them have been described here: the genetic improvement of the Southern pines and the flow of nutrients, water and other components of a forest ecosystem in monitored forested or clear-cut watersheds. Useful work has also been done on the atmospheric physics of weather as it affects the behavior of forest fires and as it relates to the modification of weather and the control of lightning; on the analysis of aerial photographs and other forms of remote sensing as a means of obtaining inventories of large forest areas (including the forest resources

of the nation as a whole), and on the use of linear-programming models to determine and schedule tree harvesting and other forest-management operations.

On the other hand, not enough work has been done on a number of problems that have become major issues in the encounters between environmentalists and forest managers. How do forests of even age and uneven age (forests composed of different tree species and growing on different sites) compare in productivity and loss of nutrients? How do pure and mixed stands compare on these matters and on relative vulnerability to insects, diseases and other hazards? The U.S. is sadly lacking in definitive research studies that could have a broad application in the shaping of national policies on forests. ●

AMBASSADOR GARDNER DISCUSSES "TOWARD INTERNATIONAL ECONOMIC ORDER OR DISORDER"

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. REUSS. Mr. Speaker, I wish to share with my colleagues some reflections by our Ambassador to Italy, Dr. Richard N. Gardner, on the third of a century since Bretton Woods. Ambassador Gardner's observations, entitled "Toward International Economic Order or Disorder?" follows:

TOWARD INTERNATIONAL ECONOMIC ORDER OR DISORDER?

(In Washington Lord Halifax once whispered to Lord Keynes: "It's true they have the money bags but we have all the brains.")

This mischievous little verse, found on a yellowing piece of paper salvaged from the first Anglo-American discussions during the Second World War about postwar economic arrangements, stirs memories of a great adventure in economic diplomacy. It recalls the extraordinary effort of a small group of men to create a new international economic order—an economic order designed to provide the foundations for world prosperity and world peace.

Today the "moneybags," the "brains," and the political influence are all better distributed than they were a third of a century ago. Yet all the old subjects are still with us—the role of the dollar, of sterling and of gold, the management of international liquidity, fixed versus flexible exchange rates, protectionism versus free trade, universalism versus regionalism, nondiscrimination versus preferential arrangements. And behind these old subjects lie the same fundamental issues—how to reconcile liberal international trade policies with high levels of domestic employment and growth, and how to devise international arrangements benefitting not just the world community as a whole but each of its parts.

It is said that those who refuse to learn from history are condemned to repeat it. I do not pretend to be wise enough to draw from the history I have tried to recount in this book "lessons" that can resolve our current problems. However, I should like to offer some reflections that perhaps can shed a little light on our current agenda of international economic cooperation.

Let us begin with a look at the credit side of the ledger. For the world economy as a whole, the third of a century since Bretton Woods has been a period of unprecedented prosperity and growth. In very round figures,

world production has soared from \$300 billion a year to nearly \$10,000 billion a year and world trade from \$30 billion a year to more than \$1,000 billion a year. Even allowing for inflation, these figures represent an enormous increase in real terms. It is an impressive record, though one must make obvious qualifications, notably the failure of the less developed countries to share proportionately in this fantastic overall growth.

While it would be an oversimplification to give all the credit for the excellent performance to the international economic institutions established during and after World War II, it is clear that the postwar planners must have done something right. The institutions they created—the International Monetary Fund, the International Bank, the General Agreement on Tariffs and Trade—have demonstrated an extraordinary ability to adapt themselves to the changing needs of the world economy.

To an important degree the Fund has become an international arbiter of those sound domestic policies that qualify a country for external aid. Its "Good Housekeeping Seal of Approval" has often been decisive in mobilizing financial support to help both developed and developing countries overcome their economic difficulties. The Fund's ability to mobilize liquidity has been an element in the progress toward the currency convertibility and the freedom from exchange controls chartered as an objective at Bretton Woods.

The Bank's ability to mobilize increasing amounts of capital, together with its prestige and experience, has given it a growing influence on the aid policies of the rich and the development policies of the poor. Its presidency is becoming one of the world's most influential platforms for improving the aid efforts of the developed countries. Its role in training, advice, and technical assistance enables it to shape profoundly the development effort of the poor countries.

The GATT has developed authority in a four-fold role—as a forum for trade negotiations, as a body of principles governing trade policy, as a center for the settlement of trade disputes, and as a vehicle for the development of trade policy.

The Fund, the Bank, and the GATT have articulated the common interest of nations and conciliated their adversary interests. They have encouraged governments to take a more international approach and have strengthened the hands of outward-looking leaders in dealing with domestic political opposition. They have taken responsibility for compromises in situations where national leaders could not have taken responsibility alone. Thanks to them, nations have followed better economic policies than they otherwise might have done. In short, these institutions, if not the agencies of world government, have certainly been instruments of a better world economic order.

In recent years, the innovation of annual economic summits between the major economic powers of Europe, North America and Japan has helped to provide overall political direction to the technical cooperation underway through the Bretton Woods institutions and GATT.

It is clear from this review that the balance sheet of postwar economic diplomacy contains impressive credits. But to have a balanced perspective we must also note the entries on the debit side of the ledger. With the help of hindsight we can see that mistakes were made—occasionally in the original institutional design, more frequently in the way the institutions were used (or not used) in practice. Partly because of these mistakes, partly for other reasons, the international economic system founded at Bretton Woods is now in difficulty; the gains of more than three decades in trade and welfare are gravely threatened; and today's

architects of international economic order confront challenges even more formidable than those that faced their predecessors a third of a century ago.

The most consequential list of debits must be recorded in the field of monetary cooperation. We are still struggling with the two long-term problems that faced the negotiators at Bretton Woods—the liquidity issue and the adjustment issue. Despite all the progress of a third of a century, the international monetary system is in difficulty. The original Bretton Woods solutions to the liquidity and adjustment problems have been largely superseded, but there is no adequate consensus yet on what should take their place. The world now finds itself, without anyone having planned it that way, living with a dollar standard and floating exchange rates, which is hardly what the postwar planners intended. The big question is whether the present monetary system can be made workable with rather modest adjustments or whether fundamental structural changes are needed.

Can the world live indefinitely with a dollar standard? Would it be better off with several reserve currencies? Should it return to the original Bretton Woods idea that the International Monetary Fund should be the principal source of new liquidity? As these lines are written, there is new movement toward European monetary cooperation, which may result not only in greater exchange rate stability and the pooling of reserves by European countries but also the development of a European reserve currency supplementing the dollar. There is still some interest, too, in moving in the direction suggested by the IMF's Committee of 20 in the early 1970s—putting national holdings of dollars, sterling and gold into the IMF in return for SDRs, and creating new liquidity mainly through internationally-agreed SDR allocations rather than through U.S. payments deficits.

The Bretton Woods system of fixed parities clearly could not survive in a world with widely divergent rates of growth and inflation and with a highly developed international capital market. But a minimum degree of international accord on exchange rate movements is needed to avoid unfair trade advantages and an unfair sharing of the adjustment burden.

The European Monetary System now in the process of creation could make an important contribution to the solution of the international adjustment problem. By creating a zone of exchange rate stability in Europe, as part of a larger European effort of reciprocal economic assistance and harmonization, the EMS could generate a climate of confidence leading to increased investment, higher levels of trade, and better economic growth rates. This would benefit not only the participants in the EMS but also the entire world economy.

It is my personal belief, which is also the official view of the Carter Administration, that a strong and united Europe is a good thing for the United States and for the entire world. It is also my belief, and the official view of the Carter Administration, that the EMS can make a positive contribution to that objective. In saying this, of course, I do not wish to be understood as taking a position on whether or not any particular country should join the EMS. It is obviously for each country to decide whether the specific arrangements for the EMS take adequate account of its national interest, and the United States has no intention of involving itself in such decisions in any way.

But a sound international monetary order will also require an agreed system of adjustment between the members of the EMS and the rest of the world economy. To this end we must find practical ways to strengthen the central role of the IMF in the interna-

tional monetary system—in particular, to help the Fund exercise its new powers of "strict surveillance" over the exchange rate policies of its members and even over those other national policies that have an impact on international financial stability.

In the field of international trade policy, the failure in most urgent need of correction is the lack of adequate rules to govern non-tariff barriers (NTBs). The industrial tariffs of Europe, North America and Japan, now down to an average of 8 or 9 percent, are likely to be further reduced to an average of 5 or 6 percent as the result of the Tokyo Round. Thus the main obstacles to free trade are no longer tariffs, but NTBs.

By their nature, they are more difficult to negotiate on a reciprocal basis than tariffs. Accordingly, efforts are now focused on the negotiation of new codes or agreements which would regulate certain major categories of these non-tariff measures—trade-distorting subsidies and countervailing duties; government procurement practices that favor domestic production; product standards that serve protectionist ends; and import licensing procedures.

Subsidies are particularly important because they raise very serious issues of trade policy. United States law requires the application of countervailing duties to offset government subsidies on goods exported to the United States. The use of subsidies is a widespread, and often justifiable, measure. It is crucial, therefore, that there be a mutually agreed-upon set of rules governing this practice so as to minimize the resulting disruption of world trade and friction in international relations.

We noted earlier the unprecedented measures that have been undertaken to assist the less developed countries. Nevertheless, despite all the progress of the past third of a century, living standards in the poor countries of the world are rising by an average of little more than 1 percent a year. The income per capita of the average citizen of Western Europe, Japan and the United States is now \$4,000 - 8,000 a year; at present rates of growth, income per capita in many of the non-oil producing countries of Asia, Africa, and Latin America will hardly reach \$200 a year in this century. The first two United Nations Development Decades were widely described as "Decades of Frustration." If successive development decades are to avoid the same fate, the world will have to find ways to get more resources from the rich, better development policies from the poor, and better forms of multilateral cooperation.

In my opinion, we need to view the diverse elements of the North-South negotiations, not just as a set of technical economic issues, but as elements of a larger political bargain—a mutual survival pact between developed and developing countries in which mutually-agreed limitations on the sovereignty of each one undertaken to protect the sovereignty of all. In such a survival pact, access on reasonable terms to energy and other raw materials, which the industrialized countries need, can be seen as the counterpart of other kinds of access that the developing countries need—access to markets at stable and remunerative prices, access to technology, management skills and investment capital, and access to a fairer share of decisionmaking in international institutions. In this context, concessions to developing countries can be regarded not as "foreign aid" or charity but as an exercise in enlightened self-interest—an investment in human civilization.

International efforts need to be focused not only on a new international economic order but on a new internal economic order in both developed and developing countries.

In the developed world, this means measures to curb excessive or wasteful consumption that threatens world economic stability and the health of the world environment, as well as internal adjustments to absorb low-cost manufactures from developing nations on a basis of comparative efficiencies of production. In the developing world, it means measures to help the poor become more productive and to satisfy minimum human requirements for food and nutrition, health care (including family planning services), education and skills, and productive jobs. We should be clear that our objective is not the transfer of wealth from developed to developing countries, but the internalizing of the wealth-creating process in the developing countries, the achievement of greater equality of opportunity in all countries, the elimination of poverty everywhere.

I said at the outset that I was hesitant to draw "lessons" from the history I have recounted in this book. But there are three conclusions that strike me as inescapable:

No nation, no matter how large or how powerful, can now avoid the necessity to pay due regard to the interests of others if it wishes to remain part of a functioning international economic system. In recent months even the United States has been obliged to alter its energy, monetary and fiscal policies to accommodate to the realities of economic interdependence. For there is no way for any nation to enjoy the benefits of that interdependence unless it also accepts the accompanying responsibilities.

Second, international arrangements for exchange rate stability cannot yield satisfactory results in the long run unless they are accompanied by other measures—measures to provide financial support for currencies under pressure, measures to harmonize domestic economic policies in a way that fairly divides the adjustment burden between surplus and deficit countries, measures to transfer resources from stronger to weaker economies, and measures to reduce restrictions on international trade and payments. This comprehensive conception of international economic cooperation, which formed part of "the philosophy of Bretton Woods," remains true today for the EMS as it does for the world economy as a whole.

Third, regional economic systems can make a positive contribution to international economic order only if they are adequately related to broader arrangements designed to assure cooperation on a global basis. In the next year, the preoccupation with the EMS should be accompanied by an equal preoccupation with improvement of the entire system of international trade and payments. In specific terms, this means reinforcing the role of the International Monetary Fund as an instrument for balance of payments adjustment, bringing the Tokyo Round to a successful conclusion, and undertaking new measures to help the developing countries.

This brings us to the fundamental issue which the principal economic powers will have to confront during the difficult financial and trade negotiations that lie ahead. Either the world will continue to move forward toward the objectives charted in the economic diplomacy of a third of a century ago, or it will move backward toward the destructive economic policies which this diplomacy sought to avoid. The big question is whether the historian who looks at this history in the year 2000 will see the years since Bretton Woods as part of a historic march toward free trade and economic integration, or as but a brief interlude between eras of trade restriction and economic nationalism.

Let us therefore adopt the means necessary to achieve our proclaimed objectives, or

let us at least have the honesty to acknowledge that we are obliged by timidity and national egotism to abandon the goal of an open world economy which we have proclaimed since the end of the Second World War. The time has come to choose. ●

AGAINST THE GRAIN

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. WYDLER. Mr. Speaker, I would like to direct my colleagues' attention to an article which appeared on Sunday in the Outlook editorial section of the Washington Post. The article "Against the Grain" by William Greider, raises the question of the various degrees of risk which our society is willing to accept for energy production. Mr. Greider cites a recent fascinating study, "Risk of Energy Production," by Dr. Herbert Inhaber, a Canadian scientist.

I summarized the conclusion of the Inhaber study in my submittal to the domestic policy review which the administration conducted on solar programs last year. I recommend it strongly to all Members of the House. It reaches the provocative conclusion that various soft technologies, including most solar approaches for generating electricity, are more risky overall than nuclear power.

I do not believe this study is the last word on this most important question, but it is most important for us to deal with the issue of precisely what type and degree of risk our society is willing to accept. We have heard far too many emotional discussions which brandish the potential staggering loss of life claimed from a nuclear accident which has not yet occurred but yet ignore the deaths which occur every day from coal and oil and ultimately the power requirements for many solar technology systems.

I heartily recommend both the Greider article and Dr. Inhaber's study to all my colleagues who want a realistic perspective so to arrive at responsible solutions to our energy supply problem.

AGAINST THE GRAIN—THE THREAT OF THE KILLER WINDMILLS

(By William Greider)

In the atomic age of rock 'n roll affluence, one of the continuing burdens of citizenship is keeping up with the latest public threats to life and limb. Here is another to add to your list: killer windmills.

I have in my possession an official government study which sounds the alarm. When windmills are spread across America generating electricity, thousands of people will be maimed and killed as a result.

Solar power will be nearly as dangerous as windmills, the report warns. Why haven't we been told this before?

Good grief. The cold statistics have an even scarier message for us. Solar power and windmills, according to this government report, will be more dangerous than nuclear power plants. This is chilling news, if you thought the world was headed toward a soft energy future of wind and sun, where nobody gets hurt.

I am being playful about killer windmills and the death-dealing side effects of solar power because I assume, no matter what dreadful statistics I offer, most people of ordinary common sense will refuse to be scared. If I add the small fact that this particular study—"Risk of Energy Production" by Herbert Inhaber—was done for the Atomic Energy Control Board of Canada, that would irrevocably tarnish its conclusions for most skeptics.

Nevertheless, the Inhaber report is an elegant body count, provocative because it perversely turns the tables on the "soft technology" futurists. With prosaic charts and tables, Inhaber insists that all of the casualties be counted, not merely the imagined masses who perish in our collective fright vision of nuclear calamity, but the real ones who die everyday, in the here and now.

Implicitly, Inhaber attacks the religious assumptions which surround this question of risk and fear. If windmills are not safe, from whence will come our salvation?

Everyone is free to choose his own fears. If the fourth freedom is freedom from fear, the fifth is freedom to fear, picking and choosing from the parade of potential catastrophes. If the breakfast bacon does not poison us, perhaps the hamburger at lunch will. If fire does not fall from the sky someday, then maybe a silent, odorless, irradiated wind will come around the corner and blow death up our noses.

As our attention scurries from one grave risk to another, as experts offer new entries on the list, our pursuit of fear coalesces, strangely enough, with our pursuit of entertainment. Great fires, plane crashes, nuclear holocaust, dread diseases revived from the Middle Ages—these are staple themes on TV. These disaster dramas all teach the same lesson: The stresses and strains of mass death bring out the best in people. Or reveal serious character flaws in the arrogant: The fat man dies well, but the blustery cowboy turns to jelly.

This is not very entertaining, really. It is more like sick laughter in a greasy burlesque hall. The lesson on "character" makes us feel righteous, while actually we are laughing at both the fat man and the blustery cowboy. Because they are dying and we aren't.

Ultimately, this proliferation of entertaining fears becomes a crippling condition, a confusion that deepens the modern sense of impotence. The supposed dangers of modern life—an unseen wind, a menacing cloud, a stain in the hamburger—are not only beyond our personal control, but even beyond the grasp of our ordinary common sense. Few of us can pick or choose reliably among the best things to worry about, even killer windmills, because we don't understand statistical probability or even low-grade chemistry. All fears may be regarded as equally frightening in the land of the free, home of the brave, if you are inclined toward worry.

Some citizens, confronted with this confusion of potential killers, choose to relax and enjoy our hamburgers. This attitude is usually denounced as dumbheaded and hedonistic. Certainly, it's hedonistic but I'm not so sure it's that dumb.

On the whole, we prefer the long, pleasurable life of modern comforts to the shorter, sometimes dreadful lifespans which preceded industrial society. Having examined the available evidence, we conclude that something or other will kill us all, someday, despite fears, despite eternal vigilance. We accept a heretical notion: Dying can't be all that bad, if everybody does it.

Other citizens, who are more conscientious, demand government action. If you wish to understand the federal government in all of

its eccentricities, think of a gigantic and diverse organization dedicated to defending us against death. Study the budget—from the Pentagon to the anti-cancer research, from the Federal Trade Commission to the campaign for safe cars—and you will see many worthy and many ridiculous goals. Huge heaps of money are stocked against rather modest dangers, almost the way primitive peoples placed sheep and goats on the altars of vengeful gods.

This religious quality of modern spending—deliverance in the here-and-now, not the hereafter—explains why people feel especially bitter if the government betrays them and does something to kill people, instead of saving them. This deliverance is noble work but bound to fail, ultimately, for reasons which, alas, lie beyond Congress or the president.

In the modern realm of public fears, real risks in the here-and-now somehow sound less frightening than the limitless possibilities of future calamity. Thus, 150 or so miners will be killed every year in coal-mine accidents; another 14,000 or more will suffer disabling injuries. This is happening every year, with extraordinary regularity, despite the federal safety laws, but nobody is marching to close down the coal mines. For that matter, nobody is turning off their lights to save a coal miner.

Coal kills ordinary citizens every year, too, through pollution of the air. So does oil. This is happening right now, in our own time, but it does not seem to scare people half as much as the possibility that someday, somewhere, if something goes wrong, a nuclear power plant might melt down and spew forth radiation and kill, rather quickly, 10,000 or, who knows 100,000 people.

So far, this calamity has not happened in nearly 25 years of operating commercial nuclear plants. Indeed, according to the U.S. Nuclear Regulatory Commission, not a single American worker has died in a commercial nuclear plant because of radiation accidents, a claim which is not vigorously disputed by the anti-nuke critics. That is a marvelous industrial-safety record compared with competing fuels, especially coal, yet it doesn't really settle any of the fears. The basic fear casts forward into future generations and defines probability curves which translate into nightmares.

For many, this is more compelling than the known record. The Inhaber report can state with absolute reliability that some people, perhaps many people, will be killed by windmills and solar power. There is no mystery about it. Both of these "soft" energy systems, regardless of their other virtues, require heavy manufacturing of hardware, much more than a nuclear power plant when compared on the basis of how much electricity each produces. That means additional industrial deaths and injuries in the steel and glass factories (and in coal mines), plus more public hazard from industrial pollution.

For example, Inhaber estimates that a solar thermal plant (or plants) requires 20 times more steel, 13 times more concrete, twice as much construction labor as a nuclear plant producing the same amount of electricity. In proportion, he adds up the known frequency of industrial deaths and accidents from steel making, from coal mined to make steel, from glass and aluminum, from construction. Then he adds the known pollution effects of producing those materials. (Solar advocates, incidentally, consider this a virtue because the heavy hardware means more industrial jobs.)

Inhaber adds another risk to the "soft" energy sources—the work-related accidents of a coal-fired back-up plant. Neither windmills nor solar plants are constantly reliable,

but most of us still want electricity on windless, cloudy days, so presumably we will insist upon a back-up system which can be easily turned on or shut down, depending on the weather. That means a coal-burning auxiliary generator.

Inhaber does similar calculations for oil and coal which demonstrate, rather dramatically, how dangerous those energy sources are to human life, compared to all others. The safest source, by his calculations, is natural gas—followed closely by nuclear power.

That claim, of course, is where the arguments start. Inhaber's statistics already have been attacked for grossly overestimating the material requirements and, thus, the human risk of windmills. Anti-nuke experts in Canada and elsewhere have savaged Inhaber's claims. The National Research Council of Canada attacked both his methodology and his research as unreal. He underestimates the probabilities of death from a nuclear meltdown and low-level radiation emissions, while he grossly exaggerates the necessary industrial hazards of manufacturing the "soft" alternatives, the critics charge. Some of their complaints sound, strangely enough, like the complaints which the nuclear industry makes when its critics draw scary pictures of a nuclear holocaust in our future.

What are the probabilities of accidental disaster? The question stretches over an infinity of future generations, so that only experts can pretend to know. Inhaber points out that the western industrial nations have now had 2,000 reactor years of operating experience without a meltdown. That doesn't prove a meltdown will never happen. It does imply that the odds are at least more remote than 1 in 2,000.

The anti-nuclear argument responds: That's swell, but suppose the odds are 1-in-5,000 or 1-in-10,000? The more nuclear plants we build, the sooner we will get to the catastrophe. It is an article of faith among nuclear opponents that one catastrophe, anywhere, would close down the whole business. Frightened citizens would march on their neighborhood nuke and insist that it be turned off.

Maybe. It depends. It depends on who gets killed and how many get killed. The nation did not close down coal mines when hundreds of miners died or stop flying on airplanes when the big jets started crashing. The level of risk might simply be absorbed by most folks, as another of life's uncertain elements. Nobody wants to die, but we also don't want to be without electric lights.

So which risk shall we fear the most? The actual ongoing deaths caused by coal and oil? The nearly certain deaths, smaller in number, which will be caused by manufacturing solar and wind power hardware? Or the possibility of truly staggering calamity from a nuclear accident which has never happened, but someday might?

A reasonable person does not wish to choose among these fears, but there's the catch of our modern condition. You must choose. Somebody is going to get killed in order to bring you electricity. The choice involves more than entertaining fears, yet the choice requires calculations which most of us are not equipped to make.

The anti-nuke experts have a wonderful phrase for this predicament. It's a mathematical expression: "the zero-infinity dilemma." The Union of Concerned Scientists explains the "zero-infinity dilemma" for us:

"Zero times infinity is indeterminate. This dilemma prevents the public from being able to reasonably assess the risk: Is the risk negligible because the event may never happen or large because the consequences are so great?"

I think the "zero-infinity dilemma" aptly describes the political confusion of the modern citizen with his infinity of fears and his longing for zero risk. It is a civilizing departure for human society to look far forward into the future and worry about what this scary new technology will do to the grandchildren or the grandchildren's grandchildren. But it is also cheap entertainment—an easy fear with zero risk in the here-and-now for those of us who are not coal miners.●

IRAN'S TURMOIL MISUNDERSTOOD

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. HOWARD. Mr. Speaker, today Iran's Ayatollah Ruhollah Khomeini returned after 14 years in exile to a country torn by civil strife and facing economic collapse. In view of the U.S. stake in that country and in hopes of shedding some light on the situation there, I would like to submit for the Record a column which appeared recently in the Newark, N.J., Star Ledger.

The author, Dr. Faramarz Fatemi, is professor of political science and Middle Eastern studies at Fairleigh Dickinson University. His book, "The U.S.S.R. in Iran," will be published later this year. The article follows:

U.S. IGNORED INEVITABILITY OF THE SHAH'S OVERTHROW

(By Faramarz Fatemi)

In off the record conversation, Administration officials expressed the fear that if the Shah of Iran were to abdicate or was ousted, the ensuing struggle between rival generals and military cliques would lead to further chaos, civil war and the disintegration of the Iranian nation. For this and other reasons, the Carter Administration continued to favor a "political solution" which would keep the Shah on the throne, but would bring at least some of the opposition elements into a government pledged to guarantee democratization of the country.

But the reality of Iran today is such that contrary to the actions of President Carter there can be no stabilization of the country, no political order and economic restoration so long as the Shah tries to remain at the helm of the state. It is evident that despite the enormous quantity of money and sophisticated weapons lavished upon the Shah's army, it has shown itself totally unable to restore tranquility, even by repeatedly shooting and killing unarmed demonstrators. Consequently, it has turned into a bandit army marauding, pillaging and destroying innocent lives and property. The toll of the dead over the past year of demonstrations, rioting and repeated clashes with the police and army is conservatively estimated at several thousand. And yet, despite the terrible casualties, the demonstrations, strikes and protests continue and indeed have intensified.

In the United States the Iranian developments are presented mostly in a shallow distorted and erroneous manner. The long struggle and suffering of the Iranian people have been reduced by the press to simplistic conclusions, such as, "the alternative to the Shah is communism," or the opposition is led by "reactionary Islamic clergy, who oppose the Shah's modernization programs."

But the fact is that for some 40 years there have been strong indigenous forces that have sought democratic government and opposed all foreign domination.

These forces were led in 1940s and 1950s by

Dr. Mohammed Mussadeq. In 1944, as leader of Iran's parliament, he fought to keep the Soviets from gaining control over Northern Iran. In 1951, Mussadeq played a leading role in the nationalization of British oil interests. Dr. Mussadeq's popularly supported government was overthrown two years later in a CIA-sponsored coup d'etat. Democratic rule was thus terminated and the Shah's illegitimate dictatorship was inaugurated with the blessing and support of the United States.

Many Westerners erroneously assume that because Iran was ruled during most of its 2,500 years of history by monarchs that the Iranian people are deeply attached to the institution of monarchy—and specifically the Pahlavi dynasty. Nothing is further from the truth. Since 1896 out of six Shahs, one was assassinated, one was forced in 1906 to surrender his power and accept constitutional government; three, including the father of the present Shah were deposed.

Much of the current ferment against the monarchy is political and economic. But partly it is also religious and ethical. The people view the Shah as a tyrannical and unjust ruler, who has violated the moral and religious precepts of the country. The Shah has tried to impose his will from the top without either the participation or consent of the people. He has never differentiated between dissent and disloyalty. Thousands of people have been jailed for criticizing corruption, inefficiency, press and speech censorship and police repression.

The Shah has sought to destroy all opposition by establishing SAVAK (secret police), 200,000 strong. It has been organized, trained and armed with the most sophisticated weapons to murder, rob, torture and destroy many individuals and families.

Much of the protest is also the result of economic blunder, inefficiency and fraud. The Shah himself, his relatives and entourage have been for years the center of national corruption. There is no significant development project initiated without either the Shah or a family member involved. Princess Ashraf, the Shah's twin sister, is the worst representative. The people have scornfully dubbed her "the heroin queen," because of her long years of association with the drug traffic.

In a speech given last month, the Shah apologized to the Iranian people for "past mistakes, illegalities, cruelty and corruption." He also announced that there is to be an inquiry into the royal family's sources of wealth and property. Most Iranians remain skeptical. They ask how could mistakes of such magnitude be admitted and the Shah left out of the inquiry? Shouldn't the first indictment be against the Shah?

The result of the last 15 years of mismanagement is that the Iranian economy, industry and agriculture have been destroyed. Inflation is unbearable. Cities have become polluted, overcrowded, clogged with cars and intolerable traffic jams. There is a chronic shortage of housing. The people must pay high prices for such essentials as food, clothing, and rent.

Over the past 25 years of the Shahs' dictatorship a political vacuum has been created by the destruction of all structured political opposition. For this reason the Islamic clergy has assumed the leadership of the broad popular upheaval. It is absurd to call the clergy, "reactionary religious fanatics." The Mullahs (clergy) have been a progressive force in exposing the Shah's autocratic rule and the extent of corruption and moral decay of the regime. They have united every strata of society. Landless peasants, industrial workers, merchants of the bazaars, students and intellectuals have answered the call of the Islamic leadership for revolutionary actions. Ayatullah Ruhollah Khamaini has become the symbol of the revolution.

To meet the legitimate claims of the

Iranian people and establish the procedures for a peaceful settlement of the crisis, the following steps must be implemented.

1. The Shah must abdicate.
2. A regency council and a civilian coalition government has been formed. Their first priority should be to prepare the nation for a referendum followed by an election.
3. The referendum should decide the fate of the monarchy.
4. The people should then elect a constituent assembly, which would draw up a new constitution as a framework for democratic rule.

The United States has a high stake in a prompt and peaceful solution of the protracted Iranian crisis. The longer the chaos continues, the more Western economic interest will be threatened and the continuous flow of Iranian oil curtailed.

By taking the side of the Shah, against the Iranian people, the United States is heavily mortgaging future relations and economic ties with the new Iranian government which will inevitably be brought to power by the tide of popular revolution.●

ADMINISTRATIVE RULEMAKING REFORM BILL

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. LEVITAS. Mr. Speaker, since the opening of the 96th Congress just 2 weeks ago, nearly 120 Members have already joined me in sponsoring a bill to help the American people regain control of our Government.

My Administrative Rulemaking Reform bill, H.R. 1776, will give Congress the right to review, and, if necessary, veto, in advance, any rule or regulation issued by unelected bureaucrats.

Laws should be made by persons elected by and accountable to the citizens of this country. It is, therefore, most appropriate that the number of this bill, H.R. 1776, is a reminder of the year of American independence and liberty.

This bill is not partisan; it is neither conservative nor liberal and its sponsors come from all across America and all across the political spectrum. It simply means that the duly elected representatives of the people will have the chance to consider rules and regulations before they go into effect, and the chance to stop them from going into effect if they are outside the intent of the law, overly burdensome, arbitrary or just plain stupid.

The following is a list of those Members who have already joined the H.R. 1776 "Honor Roll" for congressional control of and accountability for the laws. I welcome our other colleagues to join us and add their names to the H.R. 1776 Honor Roll.

LIST OF COSPONSORS OF H.R. 1776

Mr. Abdnor, Mr. Alexander, Mr. Anderson of California, Mr. Andrews of North Dakota, Mr. AuCoin, Mr. Badham, Mr. Bafalis, Mr. Barnard, Mr. Benjamin, Mr. Bevil.

Mr. Blanchard, Mr. Boner of Tennessee, Mrs. Bouquard, Mr. Brinkley, Mr. Brown of Ohio, Mr. Broyhill, Mr. Buchanan, Mr. Burgener, Mr. Butler, Mr. Campbell, Mr. Carr.

Mr. Chappell, Mr. Cleveland, Mr. Coelho, Mr. Coleman, Mrs. Collins of Illinois, Mr. Corcoran, Mr. Coughlin, Mr. D'Amours, Mr.

Daniel, Robert W., Jr., Mr. Daschle, Mr. Davis of South Carolina.

Mr. Derwinski, Mr. Donnelly, Mr. Dornan, Mr. Dougherty, Mr. Duncan of Tennessee, Mr. Duncan of Oregon, Mr. Edwards of Oklahoma, Mr. English, Mr. Evans of Georgia, Mr. Forsythe, Mr. Fountain.

Mr. Fowler, Mr. Gaydos, Mr. Gephardt, Mr. Gingrich, Mr. Glinn, Mr. Gradison, Mr. Gramm, Mr. Gudger, Mr. Guyer, Mr. Hagedorn, Mr. Hamilton, Mr. Hefner, Mr. Hinson, Mr. Holland.

Mr. Hollenbeck, Mrs. Holt, Mr. Hubbard, Mr. Huckaby, Mr. Hughes, Mr. Hyde, Mr. Ichord, Mr. Jacobs, Mr. Jenkins, Mr. Kemp, Mr. Kildee.

Mr. Kindness, Mr. Kramer, Mr. Lagomarsino, Mr. Leach of Iowa, Mr. Lee, Mr. Lent, Mr. Lloyd of California, Mr. Long of Maryland, Mr. Lott, Mr. Luken.

Mr. Madigan, Mr. Martin, Mr. Mathis, Mr. Mazzoli, Mr. Mavroules, Mr. McDonald, Mr. McKay, Mr. Mineta, Mr. Montgomery, Mr. Moore, Mr. Myers of Indiana.

Mr. Neal, Mr. Nichols, Mr. Nowak, Mr. Panetta, Mr. Pashayan, Mr. Pepper, Mr. Price, Mr. Pritchard, Mr. Ratchford, Mr. Roberts, Mr. Roe, Mr. Roth.

Mr. Runnels, Mr. Santini, Mr. Sensenbrenner, Mrs. Snowe, Mr. Snyder, Mrs. Spellman, Mr. Spence, Mr. Stockman, Mr. Volkmer, Mr. Whitehurst.

Mr. Whitley, Mr. Wilson of Texas, Mr. Winn, Mr. Wyatt, Mr. Yatron, Mr. Young of Missouri, Mr. Zeferetti.●

NATIONAL BOY SCOUT WEEK

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 1, 1979

● Mr. NATCHER. Mr. Speaker, it is a privilege for me to call attention to the week of February 7 through 14 as National Boy Scout Week. The Boy Scout organization has received national acclaim through the years and most deservedly so. The number of Scouts who have gone on to become our country's leaders, encompassing all walks of life,

is well documented. Theirs is an outstanding and enviable record.

Nothing that is worthwhile in life is achieved without hard work and dedication of purpose. It takes firm and able leadership to instill the code of honor, respect for authority and good citizenship into a young mind that is willing to absorb and grow; grow with his friends in character, health and mental alertness and to develop self-reliance and the desire and ability to help others.

The strength of our country lies in the character of its people, and the Boy Scouts help to mold, and then nurture, the essential qualities that form the basis of a sound and productive person in our society. In this way the Scout matures into an asset to his community and, in turn, to his country.

We need the Boy Scouts of America, and I would like to take this opportunity to congratulate them on a job exceptionally well done.●

SENATE—Monday, February 5, 1979

(Legislative day of Monday, January 15, 1979)

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

PRAYER

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

Eternal God, Father of all mankind, from whom cometh all authority to rule among the people, make us mindful of Thy favor in giving us this good land for our heritage. Bind together as "one nation under God" the multitudes of many kindreds and tongues who people the sovereign States comprising our Federal Union. Give Thy higher wisdom to those who make the laws, to those who execute the laws, and to those who protect us from destructive powers within and without.

Infinitely wise and gracious God, keep the people of this Nation under the shelter of Thy grace. Be Thou a shield to the young and a staff to the aged. Succor those who are in want, in sickness, or in sorrow. Enlighten those who are in darkness, sustain the weak, guide the erring, and lead Thy people in the way of life everlasting.

Through Him who is the way, the truth, and the life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. MAGNUSON).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 5, 1979.
To the Senate:

Under the provisions of rule I, section 3 of the Standing Rules of the Senate, I hereby appoint the Honorable SAM NUNN, a Senator from the State of Georgia, to perform the duties of the Chair.

WARREN G. MAGNUSON,
President pro tempore.

Mr. NUNN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

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

DESIGNATION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the two orders for recognition of Senators today, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 15 minutes each.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no order, motion, unanimous-consent agreement, or action that would relate to, impact on, or prejudice my resolution and/or pending motion be in order during the period for the transaction of routine

morning business, prior thereto, or following thereon today.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXIMITY

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

S. 331—A BILL TO REQUIRE A BALANCED BUDGET WHEN THE ECONOMY GROWS AT A REAL RATE OF 3 PERCENT OR MORE

Mr. PROXIMITY. Mr. President, on behalf of myself, the Senator from Delaware (Mr. ROTH), the Senator from Wisconsin (Mr. NELSON), the Senator from South Dakota (Mr. PRESSLER), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Georgia (Mr. NUNN), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from New Mexico (Mr. DOMENICI), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Missouri (Mr. DANFORTH), the Senator from Arizona (Mr. DECONCINI), and the Senator from Nebraska (Mr. EXON), I send a bill to the desk and ask for its appropriate referral.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

Mr. PROXIMITY. This bill would mandate a balanced budget whenever the real economic growth in the country equals or exceeds 3 percent. The bill would permit the Congress to set aside the requirement by a two-thirds vote in the event of a national emergency.

If this bill had been the law of the land, we could have had a balanced bud-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.