

EXTENSIONS OF REMARKS

FOR A NEW FOREIGN POLICY
AND DEFENSE POSTURE

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. COLEMAN. Mr. Speaker, this year the American people and their Government have the opportunity to set a new course for our Nation's foreign policy and defense posture.

There can be no question that the 1980's could well be the toughest test our Nation has faced in the field of diplomacy and world peace. While we wrestle with the complex problems of unemployment, recession, and inflation, we in Congress and the President must not forget that, as one observer said, "the most important social service a government can do for its people is to keep them alive and free."

Let me take just a few moments to discuss what I see to be the problems and possible solutions for the dire situation we now face.

Our Nation has endured humiliation, retreat, and injury abroad at the hands of fanatics and terrorists. American Ambassadors have been shot and killed, and American citizens are still the captives of terrorists in Iran. Our Nation and people have remained exceptionally tolerant and patient in the face of these outrages. But America is growing impatient, the American people are growing angry.

Recent events in Iran and Afghanistan—indeed, in the entire Persian Gulf area—make certain that America no longer has the luxury of considering any place on Earth too remote to affect its own security. The fact is the United States depends heavily on imports for several of the basic minerals vital to a modern economy and military force. Chromium is an example—a necessary ingredient to make stainless steel, for ball bearings, sensitive instruments, missiles, and aircraft engines—92 percent must be imported. Our major sources are South Africa, 33 percent; and the Soviet Union, 25 percent. Most of the known reserves in the world are in South Africa and Zimbabwe. Because of our dependence on Mideast oil supplies the Straits of Hormuz is another critical area—a 12-mile wide waterway through which 40 percent of the free world's oil passes, 20 million barrels a day, 800,000 barrels every hour. Zinc, cobalt, titanium, and numerous other important minerals can only be found in the developing or so-called Third World nations.

Our relationship with these Third World countries must improve. We must become aware of the cultures

and languages of countries throughout the world. For too long we have been willing to sit back and let people come to us. Today this is no longer desirable or even possible.

The United States and the Soviet Union are both competing for the hearts, minds, trade, and allegiances of these Third World nations. And make no mistake about it, the Communists want total control of these countries. The Soviet pattern of using their own military force or proxy troops continues unabated. Since 1974 nearly 100 million people have been brought under Communist domination in Angola, Ethiopia, Afghanistan, South Yemen, Mozambique, Laos, Cambodia, and South Vietnam. It is apparent we must reverse and regain the geopolitical momentum. We must again use our national resources in the tradition of a great power.

We must always be aware of the complex interrelationships between what happens in the Far East and the Middle East; between vital resources and the directions of world commerce; between economic productivity and national defense; between a nation's ideology and its will; between national will and the ability of its armed forces to prevent conflict.

The cold reality is that our Nation's military might is being questioned as never before. A decade ago our Nation was unmatched militarily. We were secure and much of the world took shelter under the umbrella of our strength. As we enter the 1980's, for the first time since the end of World War II there are serious questions both at home and abroad about America's competence.

Should we be surprised that our Far East allies question our commitment when the administration publicly announced the withdrawal of U.S. troops from Korea, then waffled, then decided to keep them?

Should we be surprised that our European allies are alarmed and angered after they have acted on our word to develop the neutron bomb then the administration decides not to do so?

Should we be surprised that the Soviets have undertaken an alarmingly aggressive policy worldwide when we consider that the United States has steadily reduced its net expenditures on defense, while the Soviets were engaged in a massive arms buildup? An inventory of the last 2 years shows the White House vetoed congressional authorization of a nuclear aircraft carrier, delayed production of the cruise missile, the Trident submarine and the attack submarine program, as well as opposing the development of the B-1 bomber. Aircraft production has not even covered attrition. Morale in the

military has declined as pay for experienced technicians and officers lagged well behind inflation.

Should we be surprised that the Persian Gulf is disintegrating while our leaders narrowly focus their energies on a small band of terrorists and fanatics in Iran?

Should we be surprised that the Soviets have occupied far-off Afghanistan—and are poised on the border of Iran—when the administration finds Soviet combat troops in nearby Cuba acceptable?

And finally, should we be surprised that America and the world now openly question our own military capability as the failed rescue attempt in Iran lays bare the degree of our military equipment preparedness to an amazed world?

These questions, heightened by recent events, must be asked with a sense of urgency in view of the Soviet Union's concerted, deliberate military growth. There is no question, however, that the Soviet objective is clear strategic military superiority.

According to the Department of Defense, in 1979 the Soviet Union spent 50 percent more on defense than we did. The Pentagon now estimates the Soviets are using 11 percent to 14 percent of their gross national product for defense purposes, compared with our own 5 percent.

Soviet strategic nuclear forces have come from a position of substantial numerical inferiority 15 years ago, to one of parity today—with the potential for strategic advantage in the near future. At the same time, the Soviet leadership has increased significantly its ground and tactical forces and greatly expanded its seapower. Unless the United States drastically increases its military budget the Soviets will by 1985 have unquestioned nuclear superiority, overwhelming superiority on the ground and at least equality at sea.

How the Soviets' military power will be used is no mystery in light of recent Soviet activities throughout the world. Soviet adventurism is clearly on the rise, increasingly taking the form of Soviet military intervention. Soviet actions in Angola and Ethiopia in the 1970's and their cynical, blatant occupation of Afghanistan, illustrate this trend with frightening clarity. Unless America acts now the Soviet Union will be No. 1; the United States No. 2.

Ironically, the Soviets as they achieve this superior military position may not even have to resort to its deployment to make war in order to reach their goals. The Soviets have learned that military power is usable not only in wartime, but in peacetime as well. It is also a statement of politi-

cal power. It announces to their own oppressed peoples dominated by communism that defiance is not a viable alternative.

Let us always remember two things about communism: First, no people has ever freely chosen to live under a Communist regime; and second, no nation continues under Communist control except through force. And in a larger sense the Soviet's military might addresses the world—influencing the behavior and thinking of other nations—sometimes even our own allies—as they hesitate to support the American position to boycott the Olympics or embargo trade in Iran.

As the chairman of the Defense Committee of the West German parliament remarked to me in Bonn earlier this year, the Soviets are a "risk calculated" people—as evidenced in World War II when they would not attack unless they had a 5 to 1 numerical advantage. As the Soviets' military and political might grows, the risks associated with their military aggression decline—witness the invasion of Afghanistan.

These are reasons enough why America must restore the balance of power. As Winston Churchill said in 1934:

To urge the preparation of defense is not to assert the imminence of war. On the contrary, if war was imminent, preparations for defense would be too late.

As a recent Kansas City Times editorial pointed out—this country has learned through adversity, and with intelligence, time, and good fortune has been able to recover before a tide of disaster becomes irreversible. The next few months will tell whether the United States will have the determination to rebuild and modernize decaying weapon systems at virtually every level. The need is plain. The danger is apparent. The question is whether the will is there.

National will involves more than the use of military power. It includes a basic feeling and faith that what the United States is doing is right and honorable. And that what we represent in the world is worth defending. The boat people of Vietnam and Cambodia, and now the massive exodus from Cuba are recent and poignant examples that when given an opportunity, people will choose freedom over oppression.

If there has been a decline in American will it has not been a failure of the people but of her leaders. Her people want America to be respected; they want America to be secure; they want America to be strong. It is time America's leaders respond to her people and define her purpose, restore her strength, and revitalize her will.

It has been said that spirit gives edge to the sword, the sword preserves the spirit, and freedom will prevail.●

THE CUBANS' FLIGHT TO FREEDOM—WHAT IT REALLY MEANS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. DORNAN. Mr. Speaker, Fidel Castro's sudden change to a liberal attitude toward emigration rights, allowing all of those who want to leave Cuba to do so, has revealed the degree of discontent which prevails in that country.

Within hours of his announcement, an estimated 10,000 Cubans had packed into the Peruvian Embassy. We can only guess the numbers of others who wanted to flee, but were unable to reach sanctuary in time.

As my colleagues well know, over 100,000 Cubans now wait to be resettled in their new home. Now is the time to turn our questions to the reasons they were allowed to flee Castro's perfect society in the first place.

It is my fear that the President, for all of his good intentions, has been used again.

While we welcome these new Americans with open arms, we must recognize that we have played a major role in the reduction of internal pressures and discontent in Castro's Cuba. Fidel may rest safely once again, knowing that for the near future, his dictatorial rule is unchallenged.

Colleagues, now is the time to investigate the numerous human rights violations we all know are occurring in Cuba. I call on the administration to seek establishment of an investigative commission to go to Cuba and determine the extent of the suffering. The Cuban refugees tell shocking tales of cruelty and inhumanity. The world must know, once and for all, the reasons why thousands are fleeing Castro's beautiful workers paradise.●

AN INDEPENDENCE DAY POEM

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. DANNEMEYER. Mr. Speaker, last month, I had the pleasure and honor of attending the Senior Citizens Breakfast sponsored by the City of Orange. While there, I was given a copy of a poem written by one of the members of the group, which captured not only the spirit of the occasion but the deeper meaning of the Fourth of July for each and every one of us. Inasmuch as that deeper meaning is all-too-infrequently captured, I thought I would share Mrs. Elizabeth Grabeel's poem, "Our Country's Flag" with my colleagues and I ask unanimous consent that it be inserted in the RECORD at this time.

OUR COUNTRY'S FLAG

When I was a little child
I loved our glorious flag
I loved to sing such happy songs
I was not known to lag.

And when I to womanhood had grown
I lived on a foreign shore
I lived there under an alien flag
I loved mine more and more.

I read about our heroic past
Twas in the month of July
Our forefathers met together
The heat was very high.

The heat in Philadelphia was great
Arguments were hotter still
They argued and they really quarreled
And this went on until...

They had decided to break off
Our attachment to the King
And when they had decided so to do
How the bells did ring.

The bells they rang
The people they did shout
And thus we had our freedom
And that is how it came about.
Then Betsy Ross was visited
She was a seamstress fine
She was prevailed upon to make a flag
They told her line by line.

They wanted flag both blue and white
And it must have some red
And it must have as many stars
As states where blood was shed.

So they decided the flag should have
Stripes both red and white
And stars upon a field of blue
Like the heavens are at night.

Then after they had decided that
They also decided this
That every state should have a star
And that is how it is.

Our country had its freedom
But we had no great big voice
Until the people decided
That everyone should have a choice.

Then the Constitution was established
It gave us human rights just ten
And showed us how we must behave
And we have relished it since then.

Through many wars and skirmishes
We have come out all right
Through elections and appointments
That often give us fright.

But still we maintain our written laws
That our forefathers planned
We've kept our office fully filled
And all are fully manned.

And we have grown and flourished
Abolished slavery too
And other things we've done just right
And continue so to do.

The flag has flown over a true land
It is both yours and mine
And when we're asked to serve we will
Respond and not repine.

And when my son was called upon
To fight on alien shore
My heart was nearly broke but
I loved it more and more.

So many mother's sons bled
And given their willing life
That we may love and work
And freedom be from strife.

So if you ever see the flag
Exposed before your face
Please rise to show your pride
And take your willing place
To work and love and bleed and die
And live in reverence.

And not just sing "God bless the flag"
But give a reason why
That you are proud to live upon

The land of peace and freedom
 And ever more shall be
 Nor let the hand of anyone
 Tear down our liberty.
 So our flag we have cherished it
 And hold it so very high
 And that is why we're here today
 On this 4th of July.
 So let us all with voices sing
 God hold us in your hand
 God bless the place on which we live
 God bless our native land.●

THE PALESTINE LIBERATION ORGANIZATION: ANTI-AMERICAN SPEARHEAD IN THE MIDDLE EAST

HON. NORMAN F. LENT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. LENT. Mr. Speaker, there is a dangerous and still-growing movement in the United States to accept the Palestine Liberation Organization (PLO) as the legitimate representative of the Palestinians in the Middle East. This is fostered by the mistaken belief that the PLO is a bona fide Palestinian organization representing purely Palestinian interests.

Nothing could be further from the truth. In fact, it is clear to anyone who takes the time to scrutinize the dealings of this terrorist organization that the PLO is a close and loyal ally of the Soviet Union. Its members serve in the Middle East as the Cubans do in Africa—as Soviet surrogates. PLO terrorists trained in the Soviet Union and supplied with Soviet weaponry and explosives have played a major role in destabilizing actions throughout the Middle East.

For example, the PLO was instrumental in triggering the civil war which devastated Lebanon in 1975-76.

The PLO also was an important factor in the overthrow of the Shah of Iran. For a decade before the Shah was ousted, some 3,000 of Khomeini's urban guerrillas trained with the PLO in Lebanon. A prominent official in the Khomeini regime, Sadeh Ghtzbad, trained with the PLO in South Yemen. And the PLO has been leading efforts to drum up world support for the Iranian seizure of the U.S. Embassy in Tehran and the holding of 53 Americans as hostages. In fact, it is probable the PLO planned and executed the assault on the Embassy. Even today, no other non-Iranian entity has identified itself as closely with the Khomeini regime as the PLO.

In recent months, the PLO has been a faithful echo of the Kremlin propaganda line in supporting the Soviet invasion of Afghanistan. Farouk Kaddoumi, sometimes called the PLO's foreign minister, was quick to defend the Soviet invasion by saying:

Russia rendered selfless assistance to the government of Kabul.

Later, the PLO tried to cover up this obeisance to Moscow by adopting a position it called positive neutrality, but

Kaddoumi's words were never disavowed, and the PLO tried desperately to head off the condemnation of the Soviet Union's Afghanistan invasion at the conference of the Islamic nations in January of 1980.

In pursuing close ties with the Kremlin, PLO leader Yasir Arafat has made 14 publicly announced visits to Moscow in the past dozen years, and has met a number of times with top Soviet officials at other locations.

The PLO boasts publicly about the massive assistance it receives from the Soviets. In an interview with Marilyn Berger, of the Public Broadcasting Service, September 25, 1979, Zehdi Terzi, the PLO's United Nations observer was asked what support the Soviet Union supplies. Terzi answered:

*** They give us full support—diplomatic, moral and educational, and they also open their military academies to some of our freedom fighters.

Ms. Berger then asked whether the military equipment is given directly to the PLO. Terzi responded:

Oh yes, oh yes. We're getting our—those machineguns and RPG's and all that.

Ms. Berger:

Explosives?

Terzi:

*** Explosives, yes.

Writing in New York magazine of September 24, 1979, about a TV documentary on the PLO for the Canadian Broadcasting Corp., Herbert Krosney, documentary producer, stated:

*** Since 1974, sources say, as many as 1,000 Palestinians have been sent to the Soviet Union and other Eastern bloc countries for clandestine training in either Russian military or KGB (secret police) camps.

I cite facts such as these, Mr. Speaker, in an effort to awaken Americans to the fact that the Palestine Liberation Organization works tirelessly with the Soviet Union against American interests in the Middle East. I cite these facts to alert my colleagues in the U.S. Congress that we must do more to persuade President Carter and his foreign policy advisers against pursuing their naive attempts to bring the PLO into the Middle East peace negotiations. Nothing could be more disruptive or more dangerous to peace in the area.

I recommend to my colleagues, and indeed, to every American interested in getting a clearer picture of the PLO and its anti-American activities, two recent publications containing a detailed examination of the wide-ranging activities of this terrorist organization.

The Anti-Defamation League of B'nai B'rith has published a special report entitled "The Soviet-PLO Axis". It is a most informative and detailed account of Soviet relations with the PLO.

I also recommend an article entitled "The Facts About Terrorism," by Charles Horner in the June 1980 issue of Commentary. It contains a thorough examination of the roots of terrorist activities worldwide.

I would hope that President Carter

and his foreign policy advisers will peruse these two articles most carefully. I am confident that the facts they contain would persuade even the most naive member of the Carter administration to reverse the present efforts to bring the PLO into Middle East peace negotiations.●

H.R. 4805: THE RESEARCH MODERNIZATION ACT OF 1979

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. MAGUIRE. Mr. Speaker, as a member of the Health and the Environment Subcommittee and as a cosponsor of H.R. 4805, I have been disappointed that there has not been more movement toward a fair hearing and consideration of the Research Modernization Act. This is a humane and innovative bill, one which surely deserves its day in court.

One primary reason for its lack of success is a general misunderstanding of what the bill's purpose is. One of the best explanations of H.R. 4805 which I have run across appeared in a letter to the editor of Science Magazine by Eleanor Seiling of United Action for Animals, Inc.

One point which Ms. Seiling makes is very important. She notes that the Department of Health and Human Services issued a statement of research principles recently wherein the Department said:

To assure that HEW (now HHS) health research is responsive to public concerns, the public must participate in the setting of research policies and priorities.

As most members know, the public has expressed a greater interest in this legislation—and through that interest learned more about the legislative process—than in most bills this session.

So I commend my colleagues' attention to this letter and the excellent description of the bill that it contains. It appears below:

ANIMALS IN THE LAB

(By Eleanor Seiling)

Broad's article about the Research Modernization Act is titled in a misleading manner. The stated purpose of the bill is to establish a center to develop and coordinate methods of research and testing that do not involve the use of live animals, to develop training programs in the use of these methods, and to disseminate information on such methods. While the humane goal of the bill is to greatly reduce the number of animals in the laboratory through the development and refinement of techniques in which animals are not used, the bill does not call for an end to animal research.

The Center for Alternative Research established by the bill would not be a "clearinghouse," as described by Broad, but would be composed of representatives of each affected agency and would provide for cooperation and coordination among the many federal research and regulatory agencies engaged in research and testing, enabling them to share information and build upon each other's work. This coordination

and cooperation are among the criteria established by a Department of Health, Education, and Welfare (HEW) steering committee that proposed program initiatives for health research planning.¹ Because the center would be directed by representatives of the affected agencies, its actions would reflect the scientific priorities of these agencies. The National Toxicology Program functions in much the same way now. It should be noted that a recent statement of health research principles by HEW said: "To assure that HEW health research is responsive to public concerns, the public must participate in the setting of research policies and priorities" (emphasis theirs) (1, p. 191). The enormous constituent response to Congress when H.R. 4805 was introduced indicates the degree of public interest in this matter.

With regard to publication in the Federal Register, the bill provides that the center shall publish in the Register such alternative methods "which meet the regulatory scientific needs of the agencies," which is not different from the present practice.

Because of the large numbers of scientists who have used animals in the laboratory for their entire professional lives, we realize that it is not simply "habit," the term used in the article, but professional orientation, which limits the resources now devoted to the exploration of alternative methods. With the encouragement of increased federal interest in this area of research, it is envisioned that more scientists will become attracted to the exploration and use of these techniques.

The article does not point out that the National Society for Medical Research (NSMR) has as its official purpose "protecting the rights of scientific investigators to utilize laboratory animals," and thus it is not entirely objective in its evaluation of this bill. Even with this bias, the NSMR's statement, as reported in the article, noted that "the expense, slow results, and poor reliability of animal tests is making alternatives more and more attractive." * * *

The bill urges a direction to scientific research in which science has already begun to move, albeit slowly; it provides for a cooperative effort among federal research and regulatory agencies that is already embodied in HEW health research planning; it calls for implementation by the research agencies themselves through their representatives in the center; its severest critic agrees that there is value in the development of alternative methods. I feel the description of its effects upon scientific research as "catastrophic" is unfounded and not supported by the facts. ●

TAKING THE DEMOCRATS AT THEIR WORDS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● **Mr. BOB WILSON.** Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the Washington Post, Aug. 17, 1980]

TAKING THE DEMOCRATS AT THEIR WORDS

(By George F. Will)

NEW YORK.—Being inside a convention hall is like being inside an impressionist

painting, surrounded by clots of eye-pleasing colors. But much of what was said in Madison Square Garden was of the surrealist school. The strangest flower that bloomed in the Garden was Sen. Pat Moynihan's speech celebrating President Carter's defense and foreign policies.

Once in ancient Greece, an orator whose words were enthusiastically applauded turned to a friend and asked, "Have I said something foolish?" Moynihan's speech was warmly received. The speech was muddy, but a clear thinker is apt to write muddily when he does not believe what he is saying.

Moynihan told the convention: "The Soviet empire has entered a new period of expansion." He did not dwell on the connection between the fact and Carter's policies. But just two months ago, Moynihan said Afghanistan had caused the collapse of what Moynihan believed was properly called "apocalypse."

Moynihan told the convention that the Democratic Party has responded to Soviet expansionism "with a sense of the history of our time." It is, evidently, ancient and irrelevant history that two months ago Moynihan said, with uncharacteristic understatement, that his party's recent performance in foreign policy "is scarcely a tale of mastery and success," adding: "One has, to be frank, to wonder whether the president is ready to admit the nature of the threats we face."

Moynihan told that convention that the Carter administration "increased defense spending in each and every one of the past four years." But not relative to Soviet spending. And only by an average of a trivial half a percentage point a year. And after first cutting Ford's last proposed budget authority, Carter took three years to climb back to that level.

Moynihan told the convention that the Carter administration has reversed a decline in defense spending conducted by Republican administrations. The facts are: in fiscal 1968, 38 percent of the defense budget was for Vietnam. All of that was eliminated by 1975. Furthermore, between fiscal 1969 and fiscal 1977 a Democratic Congress, led by senators such as Muskie and Mondale, cut \$41 billion in defense budget authority. Yet in spite of that, and exclusive of the wind-down in Vietnam, the Republican administration increased defense spending.

Moynihan told the convention that the Republican platform denounced SALT II and "derides the very quest for nuclear peace." Moynihan's second point is false. His first point is peculiar, considering that, 14 months after the Vienna summit, he still has not clearly endorsed ratification of SALT II.

Well, perhaps these words to the convention were an endorsement: "The present SALT treaty is no more than a photograph of the facts; no arms treaty with the Soviets can be otherwise. But what is more necessary than the facts; what is more needed than the truth?"

Let's see: SALT II is a "photograph" of "facts," and facts are "necessary," therefore... Therefore what? The photograph is necessary?

Moynihan waxed indignant about the Republican platform's statement that Carter policies constitute "in effect... unilateral disarmament." He said, "If a party is this careless with words, can it be trusted with power?" What the Republicans are—and Moynihan prudently is not—talking about is that the Carter administration has unilaterally:

Cancelled the B1 bomber, delayed MX three years, delayed all cruise missiles two years, delayed Trident submarines two years, delayed Trident I missile development two years, indefinitely postponed Tri-

dent II, delayed Pershing II missiles two years, terminated Lance missile production, cancelled the modernization of Minuteman II, closed the Minuteman III production line (and ordered tooling destroyed so the line could not be reopened), withdrawn troops from Korea (perhaps adding to the destabilization that led to the coup), slashed the nuclear warhead program, slashed funding for war-fighting stocks, cut in half the Ford administration's shipbuilding plans and reduced the size of the Army, Navy and Air Force.

Moynihan is my friend and I would cheerfully see him president, but he really should not cite as proof of Democratic steadfastness the 1980 platform provision regarding Jerusalem. It says: "As stated in the 1976 platform, the Democratic Party recognizes and supports 'the established status of Jerusalem as the capital of Israel... As a symbol of this stand, the U.S. Embassy should be moved from Tel Aviv to Jerusalem.'"

The provision says, in effect: We promised it four years ago. We could have done it at any time. We didn't, but words—our words, at least—are cheap, so here they are again.

But if a party is this careless with words, can it be trusted with power? ●

TAKING FREEDOM FOR GRANTED: THE GREATEST THREAT TO FREEDOM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● **Mr. DORNAN.** Mr. Speaker, an examination of voter turnout statistics and comments made by citizens to Federal offices in almost any part of our great Nation will identify a cancer which is growing to fatal proportions. The cancer I refer to is that of citizen apathy in the government process and the failure of many Americans to exercise one of our most fundamental rights under the U.S. Constitution, the right to vote.

I would like to share with my colleagues an essay written by one of my younger constituents, Richard Albertoni of Rancho Palos Verdes. Richard read this essay at the "Palos Verdes Independence Day" celebration. I think he has done an excellent job of recognizing that the greatest threat to freedom in America is taking this freedom for granted.

The essay follows:

THE GREATEST THREAT TO FREEDOM

In 1974 a Lithuanian citizen named Simas Kudirka tried to escape punishment from the Soviet government for reading an American magazine. After receiving no asylum from officers of an American ship, he pleaded with them, saying, "I want America. America free. I want free." Untold numbers of people living outside this country share the feelings of this man. It is sad to think that there are Americans who do not value the freedom they have. Taking freedom for granted could be the greatest threat to it.

One way this can be illustrated is through an examination of voter turnout. Although voting is one of America's most important rights, many of the citizens do not take advantage of it. In a recent local election on

¹ "Health Research Activities of the Department of Health, Education, and Welfare: Current Efforts and Proposed Initiatives" (Department of Health, Education and Welfare, Washington, D.C., 1979), p. 84.

the Palos Verdes Peninsula, less than 20% of the registered voters took the time to go to the polls. With over 80% of these people not expressing interest in the contests, the validity of the outcome is questionable. Voting should be a way of obtaining the views of the people, yet with so little participation these people are telling the government that they do not care about the results.

Another problem is the lack of involvement in government. Most Americans do not write letters to their congressmen or attend public meetings. They do not contribute time or money to political candidates or causes. These forms of activity are very important. Public officials represent the people. They must hear the people's opinions if representative government is to continue.

Learned Hand, who was for years Chief Judge of the Federal Court of Appeals in three eastern states, made this comment that summarizes the need for a positive attitude by citizens in a free country: "Liberty lies in the hearts of men and women. When it dies there, no constitution, no law, no court can save it."

CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 19, 1980

● Mr. DERWINSKI. Mr. Speaker, throughout the last several weeks while we were in session, I have been inserting various articles in commemoration of the 21st observance of Captive Nations Week this past July.

In this regard, I would like to include several articles from publications across the country, reporting on the events that were scheduled to celebrate Captive Nations Week. First, a letter which appeared in the Bay City, Mich., Times, by Father Joseph Reitz, pastor of Our Lady of the Lake Church, Houghton Lake; second, an article from the Manchester, N.H., Union-Leader, commenting on the observance of the week; third, the New York News-World carried an article in its July 1 edition on preparations for the week in New York; fourth, the Neighborhood News and Garfield Heights Tribune located in Cleveland, Ohio, made mention of the proclamation by Mayor George V. Voinovich; fifth, articles from the Cincinnati, Ohio, Enquirer and the Ypsilanti, Mich., Press; sixth, a column by Lisa C. Rose appearing in the Cincinnati, Ohio, Post; and seventh, the New York News-World carried an article by Sara Towe on the implications of Captive Nations Week.

These articles follow:

[From the Bay City (Mich.) Times July 18, 1980]

WE STILL TAKE FREEDOM FOR GRANTED

Following on the footsteps of our national independence celebration, there is another commemoration in July, Captive Nations Week.

The week of July 13-19, liberty-loving U.S. citizens again commemorate Captive Nations Week. How many friends, neighbors and associates realize the freedoms they take for granted are denied to millions living under Communism?

In only 60 years Communist imperialism has swallowed up over two million square miles of free nations and territories with a population, close to one billion people, who would never have chosen to live under the hammer and sickle.

Compare these figures to the former territories of the U.S., Great Britain, France and other nations that have sought to implement the principles of self-determination and independence since World War II. More than 60 new, independent countries, with a population of over one billion, have come into existence since the defeat of the Axis powers. Some of those newly-free nations have already fallen to the Communists. Others, as April, 1980's issue of the U.S. Communist Party's theoretical journal, Political Affairs, points out, are on the Kremlin's hit list.

As the world falls to Communism, country by country, Political Affairs predicts that the time will come for the United States to succumb to "the world revolutionary process" and to embrace the inevitable: a Soviet America. "The Party will continue to fulfill its historic role," the Communist document states, "as the leading advanced revolutionary force of our time . . ."

The idea of a Soviet America might seem far-fetched but not to the Communists. More than 40 years ago the late U.S. Communist Party Chairman William Z. Foster—whose ashes are buried in the Kremlin—envisioned such a fate for the United States. So, too, did the late Soviet Party Chairman Nikita Khrushchev in an interview with James Reston of the New York Times:

"Incidentally, how old are you, Mr. Reston?" Khrushchev asked the Times' columnist in 1957. Reston responded: "Forty-eight" and Khrushchev answered: "I think that you can live to see the time when a Communist society is built, and you will then regret that you came to understand the advantages of socialism too late."

As with all the Captive Nations, the same methods will be used to bring about their fall: demonstrations, agitation, infiltration, intimidation, deceit, subversion and finally, total control and enslavement.

To the Communists, total control means forever. Never, in six decades, have Communist China or the Soviet Union granted independence to the country once it has been enslaved under Communist imperialism. If anything, the list of captive nations has grown and even includes, only 90 miles from our shores, Cuba.

Captive Nations Week is observed each year during July. It is done so on the basis of the Captive Nations Week Resolution (Public Law 86-90) which President Dwight D. Eisenhower signed on July 17, 1959.

This week, dedicated to the Captive Nations, don't forget to offer your prayers for all our persecuted brothers and sisters who keep the faith under the most repressive conditions in Communist nations throughout the world.

Fr. Joseph Reitz, Pastor,
Our Lady of the Lake Church,
Houghton Lake.

[From the Manchester (N.H.) Union-Leader,
July 16, 1980]

CAPTIVE NATIONS WEEK OBSERVED

July 13 through July 20 is being observed as Captive Nations Week this year. Captive Nations Week started when the 86th Congress in 1959 unanimously passed Public Law No. 86-90, which authorized and requested President Eisenhower to issue a proclamation designating the third week of July that year and years to come as Captive Nations Week.

The New Hampshire Conservative Union will hold the Captive Nations' Observance

at Sherwood Inn on Routes 4-202-9 just East of the Epsom Circle at 2:00 p.m. July 20. The public is welcome.

Dr. Alfred Lilienthal, historian and author, will address the gathering. He recently returned from a two month visit to nine middle east countries where he spoke with King Hussein, His Highness the Emir of Qatar, the Emir of Bahrain, Pres. Assad and an exclusive interview with Mayor Shaka just before he was hit with a terrorist bomb.

[From the New York News-World, July 1, 1980]

PREPARATIONS BEGIN FOR CAPTIVE NATIONS WEEK

Representatives of 34 captive nations under communism are getting ready to organize Captive Nations Week 1980 in New York City. The Captive Nations Committee of New York includes many countries under Soviet domination from Albania to East Germany, North Korea to Ukraine and they demand freedom for all nations with every increasing voice volume.

This year's demonstration takes place on Sunday, July 13, with the 22nd annual parade on Fifth Avenue. Participating are individuals and groups with nationality, veterans, patriotic, church, political and civic background.

The week-long event extends from July 13 to 20. The opening Sunday program includes 9 a.m.: Assemble at 59th St. & 5th Ave., 9:15: Fifth Avenue parade 59th St. to 50th Street, 10:00 Memorial mass in St. Patrick's cathedral, 11:00: Fifth Ave. parade—50th Street to Central Park Mall (band shell near 72nd Street). 12:00 noon: Ceremonies, honored speakers, and folklore entertainment at Central Park mall.

Captive Nations Week is proclaimed each year by the president of the United States to focus attention on many nations ruled by the bullets of the communist slavemasters. The week-long event is dedicated to the inevitable overthrow of communism. It offers hope to oppressed and enslaved people all over the world for freedom and self-determination.

[From the Neighborhood News & Garfield Heights Tribune (Cleveland, Ohio), July 23, 1980]

JULY 13-20 DECLARED "CAPTIVE NATIONS WEEK"

Mayor George V. Voinovich has declared July 13-20 as "Captive Nations Week" to focus on the cause of human rights.

The mayor emphasized the following in his proclamation:

"The cause of human rights and personal dignity remains a universal aspiration, yet in much of the world, the struggle for freedom, human rights and independence continues. It is appropriate, therefore, that we who value our own precious heritage should manifest an understanding for those to whom these benefits are denied.

"The imperialistic policies of the Soviet Union have led, through direct and indirect aggression, to the subjugation and denial of human rights starting with the nations of Eastern Europe and extending their influence and domination in Latin America, Africa and most recently in Afghanistan.

"It is vital to the national security of the United States and other free nations of the world that the desire of liberty and independence on the part of the people of all conquered nations should be steadfastly kept alive.

"In support of this sentiment, the 86th Congress of the United States passed public law 86-90 establishing the third week in

July as Captive Nations Week and inviting the American people to express their sympathy and support for the just aspirations of Captive Nations and their people."

[From the Cincinnati Enquirer, July 25, 1980]

CAPTIVE NATIONS—OLYMPICS GIVING A NEW COGENCY TO OBSERVANCE

While Afghan athletes flashed word from Moscow they wanted to defect, Cincinnatians in their native East European dress dramatized "Captive Nations Week"—appropriately, if only coincidentally, timed to coincide with the Summer Olympics.

Some 30-odd nations and territories have either been absorbed into the Soviet Union or are under Communist flags of one kind or another. It was to the freedom of the billion-plus individuals under this domination that Cincinnatians from the Ukraine, Latvia, Lithuania and Estonia assembled in ceremony at the Main Library. There they put on display (through Aug. 4) books, letters and other mementoes of their flights to freedom. Eric Soovere, a medical photographer from Estonia, contributed memorable photos. The refugees also contributed books on their countries—relative to their plight—to the library's permanent collection.

But for such refugees and the Captive Nations Week that President Eisenhower proclaimed in 1959 for every third week in July, more Americans might be taken in by the captors' frequent blandishments—whether of Soviet, Chinese, Yugoslav or Cuban origin. The Joint Committee of Soviet-Occupied Nations, formed in Cincinnati after the invasion of Afghanistan, unfortunately has no Afghan representative.

What an honor and thrill it would be to have an Afghan athlete-defector as the first!

[From the Ypsilanti (Mich.) Press, July 18, 1980]

DETROIT ETHNIC FESTIVAL

DETROIT.—The city's summer-long series of ethnic festivals will continue this week-end with the captive nations festival. The festivals are held at Hart Plaza on the Detroit riverfront, and feature ethnic food, drink, music and entertainment. Admission is free.

[From the Cincinnati Post, July 25, 1980]

DON'T FORGET ESTONIA, EXILES PLEAD (By Lisa Cardillo Rose)

Eric Soovere calls his homeland, Estonia, a nation of slaves.

For 700 years, said Soovere, the country's rule changed hands as outsiders vied to capture its vulnerable Baltic Sea coastline. The Estonians were ruled by the Danes, the Germans, the Poles, the Russians and the Swedes, but the nation's identity survived.

Soovere and his wife, Leili, now Clifton residents, believe the 1940 Soviet takeover of Estonia began the cultural genocide of their native land. The country became a republic of the USSR.

Although Russian may have replaced the native language in Estonia's schools, the Sooveres insist the individuality of their country should not be allowed to fade. They tell their story today because they believe Cincinnatians don't recognize the significance of the Soviet invasion of Afghanistan.

"We felt we had to tell the world and Cincinnati that this (Afghanistan) is nothing new. This happened to the Baltic States," said Mrs. Soovere.

The Afghanistan crisis prompted creation in Cincinnati of the Joint Committee of Soviet Occupied Nations. The group, which

represents Estonia, Latvia, Lithuania and the Ukraine, now is celebrating Captive Nations Week to spread its message.

The Sooveres lived through one Russian occupation of Estonia in 1939. "What could we do? We were 1.3 million against 180 million," Mrs. Soovere said of the first invasion. During the 13-month occupation, about 61,000 citizens were deported to Siberia, Soovere said. The country's constitution and parliament were replaced by a political system offering a one-candidate choice in elections.

Then the Nazis invaded, and a three-year German occupation followed.

In September 1944, the Sooveres woke one morning to the sound of Soviet gunfire. Their first experience with the Russians a few years earlier convinced them to pack their belongings and flee, they said.

"We knew we wouldn't have any life under Communism. We just took a chance. We took our baby and fled," said Mrs. Soovere. Others fled too, without money or friends or helpful organizations. "Some of us made it; some didn't."

The Sooveres eventually came to the United States in 1949.

Committee members have been trying to enlist the support of congressmen. A display through Aug. 4 at the Cincinnati Public Library offers books and information on Soviet-occupied nations. And group members have appeared on television and radio this week to discuss their experiences.

[From the New York News-World, July 21, 1980]

CAPTIVE NATIONS URGE U.S. BE STRONG (By Sara Towle)

In an election year, President Carter didn't dare refuse to sign a Captive Nations Week Proclamation as he has done in the past, said a member of the Americans to Free Captive Nations at their rally beneath the Statue of Liberty yesterday.

More than 200 people listened to speeches and watched the colorful folk dances in a shady area surrounded by posters and banners from at least 10 of the 34 captive nations.

Dr. Valentina Kalynyk, president of the organization for the last 16 years, emphasized that the free world must stand up to Moscow's aggression in order to survive.

Hassan Durrani, claimant to the Afghan throne, called on Carter to recognize a provisional Afghan government.

"If the U.S. government can afford to give \$123 million to leftist Nicaragua, it can certainly afford to assist our cause," he said and was applauded loudly.

Another Afghan, Dr. B. A. Zikria, warned that the Soviets will seal the Pakistan and Iran borders after the Olympics and will then work to destabilize those countries.

"Afghanistan is not yet a captive nation," he said. "It cannot be digested by the Soviet Bear. Afghanistan will force the regurgitation of all the captive nations."

The former ambassador of Taiwan, K. C. Dunn, now director of the Coordination Council for North American Affairs, spoke of his small country as the hope for many mainland Chinese.

"Millions of people in communist China look to free China to save them," he said.

Lubomir Ivanov, vice president of Americans to Free Captive Nations, immigrated here in 1944 from Bulgaria after working underground for two years in the Bulgarian National Front, opposing the Communist takeover of his country. He claims the organization still maintains direct contact with representatives in many Bulgarian towns.

"Hope depends on America," he said, condemning detente as a policy which helps the

Soviets. "The Soviets and China fight each other today," he said. "But when they come to America they'll come together." ●

TRIBUTE TO CONGRESSMAN KEITH SEBELIUS

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 30, 1980

● Mr. BEREUTER. Mr. Speaker, in my short tenure as a Congressman, I have come to know my friend and colleague from Kansas, KEITH SEBELIUS, quite well.

My close acquaintance with him is not due only to our service together as members of the Interior Committee, or as members of its National Parks and Insular Affairs Subcommittee, of which he is the ranking minority member. Nor is my close relationship with KEITH due only to the fact that we represent similar neighboring districts in the States of Kansas and Nebraska.

While these factors certainly have contributed to my friendship with KEITH SEBELIUS, it is primarily the deep and sincere respect for his knowledge, abilities, and leadership that have led me to consider him one of the most valuable Members of the House of Representatives. There is no Member who has been more helpful to me during my first term in Congress; nor is there anyone whose advice I have sought more frequently.

KEITH SEBELIUS, the man from Kansas' big First District, consistently displays sound judgment in all of his endeavors, and I have quickly learned to consider his thoughts and deeds as being unerringly consistent with the best interests of his Kansas constituents and the Nation. His leadership, advice, and views in the areas of agriculture and national parks have been invaluable to me, as I am sure they have been for other Members of Congress.

KEITH SEBELIUS has brought many fine qualities to this body—dedication, leadership, conscientiousness, and integrity. The people of Kansas and the Nation have good reason to say to KEITH: "Good job."

I am, therefore, very pleased to join those people and not only express a resounding good job to KEITH, but also to express my best wishes to him as he retires from Congress. Since we will all miss his fine qualities in the House, we hope he visits this Chamber frequently in the years ahead. ●

SOUTH BOSTON

HON. JOE MOAKLEY

OF MASSACHUSETTS

Tuesday, August 19, 1980

● Mr. MOAKLEY. Mr. Speaker, recently the Quincy Patriot Ledger car-

ried an outstanding article by a gifted writer, Kathleen Kroll. Ms. Kroll has painted a moving and troubling appeal for those who speak most forcefully for human rights to look a little more closely at how they view one group of neighbors, the residents of South Boston.

Having lived in South Boston all my life, I have been very troubled by the way our town has been portrayed since the onset of racial troubles involving small numbers of people. I have pleaded for fair play and understanding but Ms. Kroll has said it all so well that I wanted to place her excellent article in the RECORD:

SOUTHIE IS MY HOMETOWN

You can't stereotype someone you know, insists my friend Janet. Perhaps she's right, but as I listened to a new acquaintance voice his anti-bigotry, I had a feeling his most laudable intentions were buried in meaningless rhetoric.

"If there's one thing I can't stand, it's someone who stereotypes others," he said with conviction. It was common cocktail party conversation, peppered with anecdotes, culminating in the judgment: "I could never stand those people from South Boston."

The words stung. I had been nodding in agreement, now my eyes flew open, my nostrils flared. I decided quickly not to let the remark go unchallenged.

"Really?" I was restrained itself. "You seem to be enduring me pretty well."

"You? You don't live in South Boston. I didn't mean you."

"I lived there for 27 years. I was brought up there. Who did you mean if not me? My family? My friends? My childhood neighbors?"

This man seemed surprised by my reaction, but he missed no beats. "Oh, but you're obviously not one of them," he replied. "You're different. You're not really like someone from South Boston."

From there I embarked on a soliloquy he is not likely to forget.

Just what is "someone from South Boston" supposed to look like, be like?

I'm not "really like" who? Cardinal Cushing, or his sister who lived around the corner from me? Mayor Collins' sister who lived across the street? The oral surgeon and his sister the nurse who lived across the hall on Sterling Square?

Perhaps he meant the teachers, the politicians. Must be he thinks me different from my three housing project buddies who graduated from Harvard.

Of course, we never realized our designated slot in society; we were oblivious to the image attached to our address we carried. Perhaps we were unaware of our limitations.

But must our achievements be judged inferior because we were not from a "better" town? And a town is what South Boston is to the people who live there.

In Old Harbor Village, residents waited years for a "single" house, then cared for their unit with a sense of pride rivaling homeowners in the finest suburb. Fenced-in gardens abounded. Green thumbs, thank God, are not restricted by Zip Code. I have still seen few show places to equal "Mr. Murray's Botanical Gardens" on Logan Way.

Native South Bostonians are fiercely proud, loyal although often poor. I recall a real ethnic blend of Irish, Lithuanians, Polish, Italians. Just about everything—including blacks. They lived, for the most

part, in public housing. Other blacks came in great numbers to swim in Pleasure Bay, to fish at Castle Island.

The first black family moved into our project—across the court from me—in the mid-60s. Busing hadn't yet divided the city. Their U-Haul-It got stuck between two chain link fences as they backed up to unload furnishings. A group of teenagers happened by, directed the driver through, helped unload, wished the family well, and went on their way.

The new family was readily accepted. Other blacks began moving into other apartments, first into Old Harbor, then Old Colony, then D Street.

We were neighbors, we were individuals, until busing. That was when the thousands of blacks who routinely flocked to the beaches to swim or fish were warned by the media that the people of South Boston weren't people at all, but monsters bent on harm.

South Bostonians were never unified in hatred of the incoming blacks. They were unified in loving their own children.

Those who avoid stereotyping Jews, Hispanics, blacks and women often display raw intolerance for the inhabitants of a given area.

I am a product of my South Boston childhood. And, like most people, I consider myself to be relatively free of racism, sexism, anti-semitism. I am not an oddity. It's society's perception of me, of who I should be, that's incongruous.

Friends I've made since moving to the suburbs seem to think me a "find," opposite from what my upbringing would suggest.

Those of us who grew up there know better. Cardinal Cushing wasn't different. Joe Moakley isn't different. Ted Kennedy's City Point cousins aren't different. We haven't changed. Only our TV image has changed, altered immeasurably by the amplification of the deeds of a few misfits.

How much the biased coverage has harmed South Boston's image is hard for me to decipher, since I had never perceived my neighborhood as being any different from Hingham or Duxbury. We all had beaches, we were the same. Such is the native of inner city folk.

In suburbia we have strident opposition to Metco busing programs. We have stones and slurs. What we do not have is minute media coverage of these faults. There are those to be apologized for in every community, regardless of the social strata involved.

As my arguments wound to a close, the man before me stood mute. He sipped wine, exchanged glances with those around us, unswayed. In frustration he shrugged knowingly, palms upturned in mock surrender.

"No sense arguing with you," he said, turning away. "You Southie people are all the same."

As he disappeared in a righteous huff, I couldn't help but wonder where he was from. ●

RETAILER INVENTORY REFORM ACT OF 1980

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. NOWAK. Mr. Speaker, I am asking support for H.R. 7851, the Retailer Inventory Reform Act of 1980, which I introduced on July 28. The bill is an initial step in the simplification of the tax law dealing with ac-

counting for inventories. H.R. 7851 is designed to make the last-in first-out (LIFO) inventory method more readily available to retailers.

The report on capital formation and retention, issued by the Small Business Subcommittee on Access to Equity Capital and Business Opportunities, which I chair, made several recommendations designed to aid capital-intensive small businesses, and advised that tax relief should be provided to labor-intensive small businesses. H.R. 7851 is designed with this in mind; it provides relief to the often-forgotten labor-intensive industries.

WHAT THE BILL WOULD DO

The bill allows retail stores to use price indexes published by the Bureau of Labor Statistics when using the retail method of pricing LIFO inventories. In addition, the bill provides that appropriated funds be used in preparing and publishing such indexes.

As discussed below, H.R. 7851 permits retailers to use the same BLS price indexes which are now only available to department stores. The bill makes BLS indexes available to retailers who sell one or more of the following lines of goods:

- I. Piece Goods.
- II. Domestic and Draperies.
- III. Women's and Children's Shoes.
- IV. Men's and Boys' Shoes.
- V. Infants' Wear.
- VI. Women's Underwear.
- VII. Women's and Girls' Hosiery.
- VIII. Women's and Girls' Accessories.
- IX. Women's Outerwear and Girls' Wear.
- X. Men's Clothing.
- XI. Men's Furnishings.
- XII. Boys' Clothing and Furnishings.
- XIII. Jewelry.
- XIV. Notions.
- XV. Toilet Articles and Drugs.
- XVI. Furniture and Bedding.
- XVII. Floor Covering.
- XVIII. Housewares.
- XIX. Major Appliances.
- XX. Radio and Television.

FEBRUARY AND JUNE HEARINGS

In February and June 1980, the Small Business Subcommittee which I chair, conducted the first hearings ever held on the inventory simplification issue. These hearings were held in response to numerous complaints by small businesses which were experiencing difficulties because of the complex and confusing tax regulations on inventories.

In testimony before the subcommittee, Daniel I. Halperin, Deputy Assistant Secretary of the Treasury for Tax Policy, agreed with the view of many small business advocates on the complexity issue. He stated:

Small business has a legitimate complaint that the current complexity in the use of LIFO effectively denies them its benefits. The Administration supports the need to simplify the LIFO rules for small business to make them more available.

Internal Revenue Service statistics for 1974 presented at the February hearing, show that 1.1 percent of all retailers and 2.5 percent of all wholesalers use LIFO. H.R. 7851 would re-

verse these dismal statistics in expanding the use of LIFO to the many small business retailers. Small business' desire for simplification of the inventory accounting rules is not a quest for favorable tax treatment. It is simply an issue of equity.

REASONS FOR NOT USING LIFO

The complexity of the law makes proper compliance with current inventory methods a veritable nightmare. In particular, small businesses find it difficult to administer the detailed recordkeeping required in order to make a proper LIFO election. This recordkeeping requires computation of several inventory pools, the establishment of an accurate statistical index, and the use of inventory layers.

ESTABLISHMENT OF ACCURATE STATISTICAL INDEXES

One means of LIFO simplification suggested in hearings before my subcommittee, is the use of Government produced index for the pricing of small business inventories. In the absence of a Government produced index, a business must develop its own index based upon sound statistical methods. A small business that cannot afford costly statisticians and accountants to develop an index is effectively denied the benefits of LIFO.

Current tax law, however, permits department stores to use price indexes published by the Bureau of Labor Statistics. Smaller retail stores, on the other hand, can use the BLS indexes only if they can establish the accuracy, reliability, and suitability of each index. For example, a shoe store is subject to a tax audit for the use of the same index a department store uses for pricing its line of shoes.

H.R. 7851 extends the use of the BLS price indexes to any retailer with a grouping or line of goods similar to the current groupings used by the department stores.

H.R. 7851 AS AN INITIAL STEP TOWARD INVENTORY REFORM

H.R. 7851 is an initial step toward inventory tax reform. It is designed to initiate congressional discussion of this most important small business issue. Besides inventory reform for retailers, other measures could be initiated that would aid "mom and pop" stores, as well as wholesalers and manufacturers. These reform measures could reduce the number of LIFO pools and layers, as well as allowing small businesses to elect the use of the cash receipts and disbursements method—the cash method—of accounting.

I will continue to study these proposals in order to recommend workable solutions especially designed to accomplish comprehensive inventory reform for all small businesses.●

DEMOCRATIC PLATFORM DESCRIBES FANTASYLAND

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. GINGRICH. Mr. Speaker, the mismanagement of the U.S. economy over the last 4 years has been disgraceful. It has meant hardship, misery, and the loss of hope for millions upon millions of Americans. Now comes the Democratic platform, appearing to emanate from a fantasyland as it, one, takes credit for things it says are fine but which are not and, two, places blame for what it cannot explain on previous administrations and foreign powers.

On page 1 of the platform is something that is flatly untrue. "In 1977," it says, "we inherited a severe recession from the Republicans." That statement is utter nonsense. The last recession ended in April 1975, and 1976 was one of the best economic years of the seventies.

The economy grew by 5.9 percent in real terms. Unemployment in 1976 was nearly 1 percent lower than the year before. Inflation averaged 4.8 percent, the lowest rate we have had in any of the last 8 years. The Democrats did not inherit a recession. They inherited an economy with all the trends moving in the right direction, and promptly proceeded to turn them around.

Says the platform on page 2:

Two tax cuts have been enacted, in 1977 and 1978, reducing taxes on individuals and business by an amount equal, this year, to about \$40 billion.

If you had an expert juggler of figures, he might be able to defend that statement as being true. But even then it is much less than the whole truth.

From fiscal 1978 through 1981, the total money sent to Washington by working Americans will have grown by \$245 billion. That's six times the amount of the so-called tax cut bragged about in the Democratic platform. It is about \$2,500 in extra taxes for every American in the civilian labor force, and it still was not enough to balance the budget, because Federal spending raced on out of control.

Says the platform on page 3:

We specifically reaffirm our commitment to achieve all the goals of the Humphrey-Hawkins Full Employment Act within the currently prescribed dates in the Act.

When Humphrey-Hawkins passed Congress in 1978, its goals for 1983 were 3 percent inflation and 4 percent unemployment. But the OMB mid-session review of the 1981 budget, released last month, predicts 7.8 percent inflation and 6.6 percent unemployment in 1983. The Democrats may be making a commitment, but it is not to Humphrey-Hawkins.

On page 8 of the platform, an attempt is made to turn a curse into a blessing:

In the eight years preceding the first Carter budget, real federal spending had been growing at an average rate of 3 percent each year. By contrast, between fiscal year 1978 and 1981, real federal spending will have declined at an average annual rate of 0.6 percent.

Note the critical placement of the word "real." Because of the catastrophic inflation of 1977-80, totaling 43 percent without compounding, Federal spending could not quite keep up. So the Democrats have not been able to increase the spending of devalued dollars quite as fast as they have increased the rate at which those dollars are devalued. Whether that is something to be described as an accomplishment is debatable, by working Americans if not by the Democratic Platform Committee.

Referring to the years 1977-79, the platform states that—

Gross National Product increased by 11.8 percent in real terms.

But the nominal rate of growth of the GNP was 39 percent, from \$1.621 trillion to \$2.313 trillion. Most of this growth was rendered meaningless because of inflation totaling more than 30 percent over the 3 years in question. The issue is not whether the economy managed to grow at all despite escalating regulatory and tax burdens, but how impressive the performance could have been had economic policy been graced with a bit of common sense and competency.

Still referring to 1977-79, the platform says on page 1 that—

Real after-tax income per person increased by 10.3 percent.

I have a hard time believing this. The Bureau of Labor Statistics reported that the typical U.S. family lost 5.3 percent of its purchasing power in 1979 alone. An even worse decline is in store for 1980. I do not deny that some gains, on the average, were made in 1977 and 1978. But honesty compels us to admit that all of those gains will be lost in 1979 and 1980.

You will not find much mention of the year 1980 in the platform. It is when inflation hit highs not seen since the summer of 1946. It is when nearly 2 million Americans were thrown out of work. To the extent the platform even mentions these unpleasant circumstances, it places responsibility for them on people other than those who have controlled the White House for 42 months and the Congress for 25 years.

But Federal law requires the President's economic advisers to be a little more forthcoming than his platform writers. The mid-session budget review spells out the bad news: The 1980 budget deficit will be the second biggest in American history. The promised balanced budget for 1981 will be \$30 billion in the red. Unemployment will leap from 5.9 percent at the end of 1979 to 8.5 percent by this year's end. It is supposed to average, repeat, average 8.5 percent in 1981.

Certain White House people have said the recession was necessary to bring down inflation. Yet the President's advisers forecast a combined inflation rate for 1980-81 totaling 22 percent. If the inflation rate used is the yearly average, rather than the December-to-December figure, we see inflation at 11.4 percent last year and 13.4 percent this year. This is in spite of the recession that we were told would moderate the level of price increases.

Spokesmen for the majority party have announced their intention to tear apart the Republican platform. If I had their record and their platform, I would also seek to focus attention somewhere else. But the Democratic platform, as masterful a piece of creative fiction as it is, cannot obscure the fact that working people are being devastated by what once was the party of working people. We are often told that national party platforms do not mean anything, but the Democrats are the first national party to design their platform with the seeming goal of validating that opinion.●

TRIP TO CHINA: PART I

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BIAGGI. Mr. Speaker, I recently had the privilege and the pleasure of being invited by the Captive Nations Week Committee and the Asian People's Anti-Communist League to participate in the celebration of the 22d annual observance of Captive Nations Week from July 13-19 in Taipei, Taiwan. In attending this celebration with many governmental leaders from the world over, I was able to see firsthand both the strength of commitment to the intent of Captive Nations Week as well as learn of the current state of affairs in Taiwan since we have normalized relations with the People's Republic of China.

This body, which provided for the observance of Captive Nations Week in Public Law 89-90, recognized the need to keep alive an international dialog on the constant and ever-present danger of Soviet aggression in the world since World War II. The most recent nation forced to accept enslavement by Russian communism, Afghanistan, is a testament to the fact that our commitment to captive nations should be stronger than ever. The Communist threat of colonial domination, contrary to what many people in the world would have us believe, continues as an ongoing danger to all free peoples of the world.

The Captive Nations Committee, headed in this country by Dr. Lev Dobriansky, along with the World Anti-Communist League, have been tireless in their efforts to keep alive the desire for liberty and independence on the

part of subjugated peoples everywhere. This mission runs parallel with that of our own U.S. foreign policy, that being respect for and dedication to the cause of human and civil rights for all people, a policy begun by President Carter. It was the current administration that recognized the need to redevote our efforts to making human rights an integral part of our foreign policy as it is practiced in all parts of the globe.

As a result of President Carter's commitment to human rights in our own foreign policy, Captive Nations Week has taken on a special meaning for all those nations who join with us in their belief that freedom, justice, and democracy should be the foundation upon which all governments should rest.

I arrived in Taiwan on July 13 as one of many distinguished international guests who would participate in the weeklong activities. Joining me on this trip was my youngest son, Mario Jr. The other participants included Dr. Blas J. Celis, Chairman of the National Assembly of Representatives in Panama, Jean-Pierre Graffe, Member of the Belgian Parliament, Jetro M. Mamba, Speaker of the Swaziland Parliament, John Gamble, Member of the Canadian Parliament and Kir Johari, Member of the Malaysian Parliament.

It was truly an educational experience for all of us who participated. While our national and cultural traditions differed greatly, we were united in our belief that communism is a force which must be halted before another nation falls prey to its aggressive tyranny.

I commend to the attention of my colleagues an editorial from the China News which so eloquently states the sentiments of the Taiwanese people regarding the importance of Captive Nations Week in their country.

[From the China News, July 14, 1980]

MORE THAN AFGHANISTAN

Captive Nations Week is here again, and the cynical may well ask to what avail.

More than 20 years after the start of this well-intentioned movement, we have more captive nations than ever.

Afghanistan was recently added to the list as a consequence of Soviet aggression.

That seems to have rekindled some American interest in Captive Nations Week.

On the other hand, less than two years ago, the president of the United States placed the stamp of approval on Communist capture of the Chinese mainland.

The nations of Cambodia and Laos are now the captives of a Hanoi regime that had already swallowed up South Vietnam.

Is Captive Nations Week then to be construed as an exercise in hypocrisy?

When President Carter proclaimed Captive Nations Week, which nations did he have in mind besides Afghanistan?

Did he include Eastern Europe and the captive peoples of the Soviet Union itself?

If the Captive Nations movement is to be more than a propaganda vehicle, it must have the support of those who are prepared to fight for the right of people to choose their national identity and then freely elect their governments.

This is not the case in any country behind the Iron Curtain. The Communists do not

allow free elections. They do not permit self-determination of peoples.

The Republic of China's backing of the Captive Nations movement is not a grinding of an anti-Communist ax.

This country opposes Communism not out of political considerations or as a rejection of socialism, but because our own Communists (and all others we are aware of) reject the people's freedom of choice.

We are interested in Afghanistan but only as one country among many.

Today the Soviet Union is reviled by the Communists on the Chinese mainland. Not so long ago the Russian Communists were the big brothers of the Chinese Communists.

The Communist tyranny established on the mainland was not a Chinese product but an export of the Soviet Marxist. Communist usurpation of the mainland was accomplished with weapons supplied by outsiders intervening in Chinese affairs.

If the Captive Nations movement still has validity, it is as a reminder that aggression is still with us and that tyranny continues to expand.

While so many are slaves, how can so few expect to remain free?

While the totalitarians are unrestrained by collective security or even a realistic facing up to what they have already grabbed, how are the remaining uncaptured nations to be safeguarded?

Most of the world has forgotten or deliberately suppresses the fact that the mainland is captive.

The same is true of Eastern Europe and the republics of the Soviet Union. How many Ukrainians, Georgians, Estonians, Latvians, Lithuanians, etc., wish to be ruled from Moscow?

Advocates of liberation for captive nations need to get back to the fundamentals of who is enslaved by whom and the reasons why.

The reasons for enslavement include the cowardice enjoyed in comfort by those who are lucky enough to remain free.

Their own turn is coming closer with each of their brothers who disappears into the slave state system.

While one nation remains captive, the freedom of all the uncaptured will be in jeopardy. Today's count of the captives is rising not falling. Time grows short for the free.●

THE CHINA SYNDROME—1980

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. DORNAN. Mr. Speaker, the press has given coverage to the recent visit of the Senate majority leader, Senator ROBERT C. BYRD, to the People's Republic of China.

Senator BYRD appeared to totally embrace the enthusiasm of the Chinese Communist leadership for the present modernization program in China. Little has been said of the chaotic conditions in China under Mao Tse-tung—(Mao Zedong)—which led to growing difficulties in the economy; many of the same people in control of events now embraced the earlier policies with enthusiasm. The Communists paint a hopeful picture to visitors and the media but the perceptive observer

should look deeper than surface impressions.

A recent study by Dr. Donald J. Senese, "Modernizing the Chinese Dragon: The Prospective Impact of Western Aid and Technology on Mainland China," published by the Washington-based Council on American Affairs, point out some of the problems in following a policy to supply mainland China with all of its needs and wants, especially advanced technology.

In the preface to the book, our colleague, Representative RICHARD T. SCHULZE, makes this comment about granting most-favored-nation status to the People's Republic of China:

The granting of MFN to China represents another misstep along a disastrous foreign policy road as we refuse to recognize the clear lessons of aggressors throughout history and seek to appease every new militant totalitarian power. Once these powers gain what they desire from the West, they tend to drop their words of peace and resume their aggressive stance. We built the Soviet Union into a powerful adversary for the Free World through Western technology and Western financing; we appear to be following the same mistaken course regarding Communist China.

I would like to enter into the CONGRESSIONAL RECORD an article entitled "Warning About Mainland China" which appeared in the July 10, 1980, edition of the China Post:

[From the China Post, July 10, 1980]

WARNING ABOUT MAINLAND CHINA

A recent report issued by the Council on American Affairs of Washington, D.C. warning the U.S. government and American businessmen not to move too quickly to seek closer political ties with Peiping should be heeded.

The 80-page report also warned the United States and other free world nations to use caution in providing Red China with advanced technology, science and agricultural products. The writer of this lengthy report, Donald Senese, is a senior researcher with the House Republican Study Commission. He said in the report that if Western nations rush into Red China just for cash and contracts without "reasonable assurances" of Peiping's peaceful uses of its technology, "they may find disappointments".

Senese warned that "They may find that Red China will not pay the money promised through suspension or cancellation of contracts". It is already common knowledge that the Chinese Communists have resorted to such suspensions or cancellations of many multi-million-dollar contracts concluded with U.S. businessmen who have to suffer their losses in silence as any adverse publicity on those deals will hurt their future chances of doing business with mainland China.

The report also noted that "Even worse, they may find that they have built up a nation economically and militarily that might be a rival in trade or an adversary in international relations". It also categorically refutes the playing of the "China card" to counter the Soviets as a dangerous policy because basically both countries are Communists opposing democracies, capitalism and political freedom. It described the idea of a vast "China mainland market" opening for U.S. investors as "a myth" and a lure to gain support for increased Red China trade. He declared that "There is no mainland market of 900 million people. The China mainland market is not an entity . . . and

may well be a myth bringing more disadvantages in the long run than advantages". The fact that the masses on the Chinese mainland are so poverty stricken and starving for simple food and clothings has qualified them as good customers in the commercial sense.

The Chinese Communists have indeed tried to blackmail the United States into supplying them with military supplies, technology and sophisticated scientific equipment in the name of modernization or for the purpose of countering Soviet aggression in Afghanistan. They are also trying their very best in stirring up troubles between the United States and the Soviet hoping to fish in troubled waters when the two super powers should become involved in conflict.

Moreover, the Chinese Communists are also using the United States to subdue their internal unrest and revolt. Hua Kuo-feng might use his meeting with President Jimmy Carter in Tokyo today to strengthen his position in the Chinese Communist power struggle. All such possibilities render the recent warning by Senese more significant and timely. Free people everywhere should beware of Chinese Communist tricks and deceptions.

PERSONAL EXPLANATION

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Ms. HOLTZMAN. Mr. Speaker, I was unable to be present on June 12 and 13. Had I been present, I would have voted as follows:

On June 12:

Rollcall 314, no;

Rollcall 315, yes;

Rollcall 316, no;

Rollcall 317, yes;

Rollcall 321, no.

On June 13:

Rollcall 326, yes;

Rollcall 327, no.●

PHIL BLAZER OF "ISRAEL TODAY"

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. WAXMAN. Mr. Speaker, for 15 years Phil Blazer has hosted "Israel Today," a radio program broadcast in Los Angeles devoted to music, news, and public affairs programming about American Jewry, Israel, and the Middle East. Phil Blazer brings much more than entertainment to his enthusiastic and devoted listeners. His programs are always informative and provocative, making a major and distinctive contribution to Jewish culture in this country, as well as to our understanding of the issues of importance to Israel, the Middle East, and world Jewry. "Israel Today" exists not only on the radio, but in a national magazine Mr. Blazer founded some 7 years ago, and in a television program which is broadcast weekly. Both have also enjoyed outstanding success. I want to

congratulate Phil Blazer on this milestone in his career, and express my best wishes for the continued success of "Israel Today." Phil Blazer's valuable service to our community is the subject of an excellent article in the Los Angeles Times, which I am pleased to commend to my colleagues: [From the Los Angeles Times, July 20, 1980]

"ISRAEL TODAY'S" ACTIVIST-HOST

(By James Brown)

Phil Blazer doesn't fit the mold of a modern-day activist. He's quiet, soft-spoken, with boyish good looks and a casual, friendly manner. There's no fire in his eyes. No tell-tale signs of impassioned commitment. He could be the nice young lawyer or stockbroker who just moved in down the street.

But Blazer, a 36-year-old native of Minnesota, is, in his understated way, a force to be reckoned with—as some of our top-level government officials and media celebrities are most aware.

It was Blazer who organized the two "Black-Tie Protest Dinners" in opposition to the Carter Administration's Mideast policies. It was Blazer who ran interference for the "Stop It Now!" Skytrain to Skokie, Ill., protesting the appearance of the neo-Nazi National Socialist Party of America. And it was Blazer who accompanied the Rev. Jesse Jackson to Israel in hopes of "neutralizing" what he felt to be Jackson's misguided involvement in the Middle East.

On most questions of concern to the Jewish community—locally, nationally and internationally—Phil Blazer is right out front. And he has a multi-media foundation to help lead the attack.

Blazer is the editor and publisher of Israel Today, a national Jewish community news magazine which he founded in January of 1973. He's the host and executive producer of a weekly "Israel Today" television program, which airs locally on Channels 18 and 52.

But Blazer's longstanding base of operations is his radio show, once again entitled "Israel Today," which has been on the air for 15 years now, currently broadcast on Sundays at 10 a.m. on KIEV-AM (870) and at 10 p.m. on KFOX-FM (93.5) in Long Beach.

Essentially, the radio version of "Israel Today" is a compendium of Israeli and Jewish music, comedy and live news broadcasts from Jerusalem and Washington, D.C.

But the format is flexible enough and Blazer's identity and credibility is such that he can focus on the various issues that concern him, soliciting support from his audience in the process.

"I use my radio show very heavily," Blazer says. "There's so much immediacy and mobility to radio. I've done my show from delicatessens from a bicycle, I can be anywhere. But the first time I actively solicited listener support was in 1973 to protest the Arab oil blackmail."

The form of Blazer's protest was to ask his audience to tear up their Standard Oil credit cards in response to Standard's Board chairman sending a letter to company stockholders urging that they be more friendly to the Arabs.

"I had no idea if I'd even get one torn credit card back," Blazer said. "But there ended up being thousands of them coming in, piled up and looking very impressive. That was the first time and it was extremely successful."

Later in 1973, Blazer took to the air again to ask for some financial aid to smuggle a Torah into a Leningrad synagogue. This came about after Blazer had read that the Soviet synagogue had its 12 Torahs confis-

cated. And once again he was successful—though not without some cloak-and-dagger intrigue at the Soviet customs port.

"We'd asked Rabbi Ellis Sultanik to be our courier," Blazer said, "but the news of what he was going to do had apparently traveled ahead. They asked him, 'Are you the rabbi who's smuggling the Torah into Leningrad?' But then he said, 'What's a Torah?' So they stamped his passport and let him through. That synagogue still uses the Torah we smuggled in."

With this precedent, "Israel Today" has been on the scene for some historic occasions over the past several years—including the first Begin-Sadat meeting in Israel in 1977.

"That was an unbelievable experience," Blazer said. "While I was watching Sadat's plane descending I was standing next to an Israel cameraman who had spent four years in an Egyptian prison. And there he was, speaking Arabic to a group of Egyptian journalists as if nothing had happened. It was one of the most moving experiences of my life."

Two years later, Blazer made some history himself as he broadcast an edition of "Israel Today" from Radio Cairo via satellite, opening that show—tongue firmly in cheek—with a rendition of "My Yiddisher Mama" sung in Arabic. The thought of that moment still brings a smile to his face.

Blazer's broadcasting career actually began on a more conventional note. While still in high school, Blazer hosted a jazz program on KVFJ-FM in the San Fernando Valley. "I just walked in cold and asked for a job," he said. "Johnny Magnus was my idol and I tried to pattern myself after him."

While attending Minnesota University, Blazer hosted another jazz program, worked in radio sales and even spent some time at a trail-blazing rhythm and blues station, whose general manager was none other than Wolfman Jack.

It was also during this period that Blazer first got the idea for a program directed toward the Jewish community. "I was driving around one day, listening to this radio program that was hosted by a local rabbi and broadcast in Yiddish, and something just clicked. I thought why not do a similar kind of show but with a younger, less orthodox point of view."

And thus was born "Israel Today," "Actually, the basic format hasn't really changed that much in 15 years," Blazer said. "It has four elements—Israeli music, Jewish music, comedy and the news. I stress the comedy because that's what attracts the younger audience and also because the Jewish community enjoys laughing at itself."

With Blazer's increased activism, though, also came a newfound responsibility. "It's often misconstrued that I speak for the Jewish community," Blazer said, "when in fact I'm just speaking for myself. But I do realize that I have the media—the newspaper, the television show, the radio program—so I have to be very careful when I make a decision."

"I've lost a few nights' sleep over some of those decisions," Blazer continued. "But I've been lucky in this respect. If I had to make any of them over again, I'd do exactly the same. I haven't regretted one thing." ●

H.R. 7702

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. LLOYD. Mr. Speaker, yesterday's passage of H.R. 7702, the California wilderness bill, is of particular importance to residents of California's 35th Congressional District, as the bill establishes a 44,600-acre Sheep Mountain Wilderness in the Angeles and San Bernardino National Forests. This area is entirely within the district I represent and reflects the proposal contained in the bill, H.R. 5541, which I introduced last October.

One of my first acts as a Congressman in 1975 was to introduce a bill to establish a 52,000-acre Sheep Mountain Wilderness Study Area. I'm very pleased that 5 years later, following the establishment of a study area and an extensive review of its resources by the Forest Service, the process is nearing completion.

The terrain of this land is very steep and rugged, much of it covered by chaparral. It is laced with narrow canyons, which contain several fine trout streams. Located in the San Gabriel Mountains, the highest peak, Mount San Antonio, juts above the timber line to provide a breathtaking view from the desert to the Pacific. This area is also a valuable watershed for the nearby urban region. But the crowning jewel is the herd of Nelson bighorn sheep which ranges over this rugged land only an hour and a half from downtown Los Angeles.

This close proximity of a wilderness area and its herd of wild sheep to an urban, heavily populated area such as Los Angeles is almost miraculous, and a particularly important reason for preserving it as a reminder of southern California's wilderness heritage, and as a refuge from the noise, congestion, and pressure of city living. But in order to enjoy wilderness in the future, we must protect it now, and we must be sure to set aside an area large enough to remain viable in the face of urban expansion pressures, for once this land is gone, it is gone forever.

At the same time, care has been taken in as far as possible to avoid conflicts with established uses. A trail to the top of Mount Baden-Powell was excluded because of the popularity of this hike with local Boy Scouts. Paiute Camp on the eastern boundary was excluded to allow continued access by offroad vehicles. And the northern boundary along Blue Ridge was adjusted southward to avoid any disturbance of plans by the Mountain High ski area to locate a snowmaking reservoir there. All current ski areas were excluded, including Mount Baldy's lift 1A, which has not yet been constructed. In addition, the Wilderness Act requires that all private lands and min-

eral claims be allowed reasonable access.

The threat of fire in this area is a big concern to persons who live close by, and for that reason I included specific fire suppression and presuppression language in my Sheep Mountain Wilderness bill. While firefighting measures are permitted in wilderness areas, I wished to eliminate any doubt as to the authority of the Forest Service to take steps to lessen this threat. Consequently, I am pleased that H.R. 7702 contains language authorizing necessary fire control activities in wilderness.

The establishment of a Sheep Mountain Wilderness enjoys broad community support from the many people who recognize the precious resource we have in this region and want to see it preserved for their children to enjoy. All too often we have been left to cope with the problems caused by the selfish shortsightedness of individuals and groups who have ruthlessly exploited the land and mutilated its natural beauty. Fortunately, there have also been persons who were far-sighted enough to set aside areas of natural beauty as a legacy for us, and who know that if they did not do it, then future generations might never have the chance.

I feel a strong personal commitment to the establishment of the Sheep Mountain Wilderness and urge the Senate to give their approval to the 44,600-acre wilderness as passed by the House. ●

EXPORT-IMPORT FOLLIES

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. PAUL. Mr. Speaker, one of the most flagrant examples of corporate welfare is the Export-Import Bank. In its August 25 issue, Fortune magazine published an excellent article on Eximbank by a young economist at Oberlin College.

I would like to call this article to my colleagues' attention, and urge that we cease the process by which foreign countries get goods, international corporations get money, and the American people get the bill.

EXPORT-IMPORT FOLLIES

(By Steven E. Plaut)

The Export-Import Bank continues to make headlines and generate controversy, but nobody in Washington, D.C.—at least, nobody who makes headlines—seems to be asking the right question about this remarkable institution. The question is whether the bank should be put out of business.

The possibility that it should be is one that few policymakers take seriously. The Export-Import Bank, a federal agency that finances exports with low-cost loans, is one of the most sacred of all cows in Washington. In the current period of budgetary

stringency, one of the controversies about the bank concerns the extent to which its lending authority for 1980 and 1981 should be increased. The view that it should be held to the 1979 level of \$3.7 billion was recently denounced as "outrageous" by Senator Jacob Javits of New York, who appears to have a sizable legislative majority on his side. Secretary of State Edmund Muskie told the Foreign Policy Association several weeks ago that there was a "serious shortage" in Eximbank lending authority and added: "That means fewer American jobs and reduced American profits."

The most intriguing of all the controversies at the bank this year centered on some events suggesting that its high minded concern for exports occasionally gets mixed up with low-minded political considerations. It appears that one day in February, Rupert Murdoch, the Australian businessman, spent the morning at the Eximbank offices pleading for cut-rate financing for some Boeing jets.

Murdoch is the principal owner of Ansett Airlines, one of Australia's largest carriers, and he had his eye on several hundred million dollars' worth of jets, including a number of wide-body 767s. As he left the bank's offices, he indicated that he was going off to have lunch with President Carter. Three days later, Murdoch's New York Post urged its readers to vote for Carter in the impending New York Democratic primary election. One week after this endorsement, the Eximbank approved a preliminary commitment to finance most of Ansett's 767s with a \$200-million loan at 8%. This was less than half the prevailing rate on commercial paper and less even than the cost of the same funds to Eximbank itself. The bank also agreed to finance some 727s and 737s that Murdoch wanted at rates around 8.4%. The approval of Murdoch's money was rushed through so quickly that the bank's staff, which normally spends weeks analyzing proposed loans, had only a few days to review the deal.

A GEORGIA CONNECTION

The notion that there might be a political dimension to Eximbank lending decisions was reinforced by some details spotlighted during Senate Banking Committee hearings on the Murdoch case. The bank's chairman, John L. Moore Jr., turns out to have been a partner in an Atlanta law firm that had long been politically supportive of both the President and Bert Lance. In the months after the 1976 election, Moore had served as the President's special counsel on ethics and conflicts of interest, and in that capacity he had cleared Lance for appointment as director of the Office of Management and Budget. Although he lacked any training in economics or banking, Moore was soon thereafter named president and chairman of Eximbank.

Other members of the bank's staff also seem to have few visible qualifications but were well placed politically. An anthropologist named Matt Schaffer, who had worked hard in the Carter campaign but who had essentially no business or economics background, was originally hired by the bank to be a special assistant to Moore. Later, incredibly, he became senior vice president of policy, an appointment that says a lot about policy formation at the bank. What he actually did in this capacity is something of a mystery. Schaffer, who recently left the bank, has refused to be interviewed about the subject.

While many politicians are pained by the evidence of politicization at Eximbank, just about all of them defend the bank's overall record and take it as axiomatic that the bank's central purpose is laudable. Who, after all, would deny that it is desirable for the U.S. to increase its exports?

By law, Eximbank would indeed go out of business if its charter were not renewed by Congress every few years. Testimony at the periodic congressional hearings to extend the charter has begun to follow a predictable pattern. Friends of the bank—from the bureaucracy and from special-interest groups that benefit from Eximbank financing—troop in to testify in favor of continuing and expanding the bank's programs. On the other side are academic economists who raise questions about the bank's purpose and call for eliminating some or all of its programs.

At the most recent hearings, in 1978, Professor Arthur Laffer, father of the Laffer Curve, said that he could see no justification for Eximbank's activities and suggested "an activist policy of abolishing the Eximbank." Favorable testimony came from representatives of Boeing, the Aerospace Industries Association of America, Westinghouse, the Machinery and Allied Products Institute, and others.

ARE TRACTORS REALLY TOUGHER?

The case for Eximbank is based on two questionable assumptions. One is that the American financial markets, which are capable of mobilizing billions of dollars for such huge projects as the Alaska pipeline, are curiously incapable of financing exports of tractors, say, and aircraft. The second assumption is that the government is capable of running a bank.

Eximbank directors have long asserted that their own role is essential, but their evidence is unpersuasive. The directors often point to the special kinds of risks in some export ventures, such as exchange risks and the risk of defaults related to political upheaval. But our capital markets routinely finance risky ventures. And if a loan were really so risky that no private lender would touch it on any terms, one must question the wisdom of using a government agency to finance the project with public funds—in effect forcing the taxpayer to bear those risks.

HITTING THE TAXPAYERS TWICE

Eximbank directors have gone to some lengths in denying that the taxpayer bears any costs. They argue that the bank is an independent, profitable agency, and does not receive a dime of tax revenue. The argument is a bit disingenuous. Eximbank gets its money by borrowing at government rates from the Treasury. The funds received by Eximbank should be viewed as another of those "off budget" sources of federal spending that camouflage the true magnitude of the government's deficit—but that must ultimately be made up by taxpayers.

After getting its money from the Treasury, the Eximbank hits the taxpayers a second time by earning an uneconomic return on the money. The bank's figures indicate that its return on net worth was just over 5% in fiscal 1979—less than the return on passbook savings. Even that 5% figure is suspect. As the chart on the facing page makes clear, the bank's reported income would have been much lower in recent years if it reflected the sharp increases in delinquent accounts.

Perhaps the simplest way to view the cost of running the bank is to contrast the interest it earns and the interest it pays out. In the Moore era, the spread has generally been negative. In the first quarter of 1980 it reached minus 4.77% on new loans—an all-time record. In the 1978 annual report, Moore boasted: "Although the prime rate rose dramatically last year, the average cost [to borrowers] of our loans decreased from 8.53% . . . to 8.25%." More recently, when consumers and other businessmen were paying up to 20% or more to borrow funds,

some foreign buyers were getting American money at 8% or less.

However, the bank's supporters do not really rest their case on the claim of profitability. The case ultimately rests on a presumption that the bank's activities are boosting exports and therefore U.S. economic growth. Given this presumption, it often seems natural to Eximbank's supporters to equate success with the amount of money being shelled out. Moore constantly points out that when he entered office, the bank had only \$2 billion of commitments outstanding, while today the figure is over \$14 billion. In the 1979 annual report, he remarks, "It can be said that the difference in these figures is one measure of our success in . . . implementing our competitive policies."

In the early postwar years, the bank's supporters could argue that it had an important foreign-policy role—in helping Europe to recover. Today, the bank is in general not concerned with foreign policy; however, it does occasionally turn down loan applications because of State Department objections to, say, an applicant's human-rights record.

What about the argument that those mounting export subsidies are creating economic growth? The argument is a fallacy, a holdover from mercantilist days. When the U.S. government reduces the cost to a foreign buyer by subsidizing a deal, the U.S. is not creating wealth—it is giving away wealth. It is in effect giving away resources that are built into the product. The foreign consumer gets a windfall financed by U.S. taxpayers.

ENGINEERS ON WELFARE

In practice, of course, much of the wealth being transferred does not go abroad; it goes from one class of Americans to another. Exporters generally raise prices and capture part of the Eximbank subsidy for themselves. Eximbank may be viewed as a large welfare agency, handing out largess to export industries. It plays a sort of reverse Robin Hood role when, for example, it transfers wealth to high-income aircraft engineers from middle-income taxpayers.

Finally, it is not even clear that all these income transfers are really boosting exports. What the bank calls "additionality"—the increase in U.S. exports attributable to its own activities—is a very tricky thing to measure. Eximbank reports tend to take additionality for granted, endlessly linking bank loans to the volume of exports being supported and the various numbers of jobs presumably represented by this volume.

While computing Eximbank's additionality with accuracy would be difficult, if not impossible, one may nevertheless venture some guesses as to magnitude. Additionality should measure the increment in U.S. revenues from exports, not the increment in the number of physical units exported. If we export more physical commodities but get less income in the process, we will end up less able than ever to pay for our imports.

Export subsidies undoubtedly increase the number of physical units exported. But not all subsidies cause export revenues to increase. Whether revenues increase or decrease depends on the elasticity of demand for our exports. If there is zero elasticity—that is, the buyer's decisions on volume are unaffected by the price—every dollar of subsidy simply reduces the amount the foreign buyer must spend by one dollar, and U.S. export revenues fall in tandem. Indeed, any elasticity below 1.0—the level at which volume expands just as rapidly as price declines—reduces our export revenues.

Well, what are the relevant elasticities? For many years the commodity most highly subsidized by Eximbank has been aircraft,

which generally receives more than one-quarter of all the bank's loans and guarantees (and has received more than one-half so far in fiscal 1980). There are a number of reasons for suspecting that the elasticity of foreign demand for U.S. aircraft has generally been much smaller than 1.0. Until 1974, when the first deliveries of the European Airbus were made, U.S. aircraft exporters had virtually no foreign competition. Even today, there are no foreign competitors for most of our narrow- and medium-body aircraft. Moreover, the very nature of the world airline market—which is dominated by government-owned carriers flying partly to express national pride—suggests that price elasticity is small. It is very likely, then, that Eximbank financing has reduced U.S. export earnings from aircraft sales abroad.

Eximbank subsidies appear to have reduced U.S. export revenues in other areas too. The bank has helped finance 51 foreign nuclear reactors, the demand for which is almost certainly inelastic. Together with aircraft, these account for almost half of all the bank's credits. Eximbank has also developed a reputation for being easy to tap for financing cost overruns, the additionality for which is zero. (That is, the foreign buyer is already committed to the deal but the overrun has increased his financing costs.) Similarly, foreign buyers who have already placed orders for American goods sometimes receive low-interest loans—the additionality here too being obviously zero. Stephen H. Goodman, a former senior vice president for policy analysis at Eximbank, says that the bank today is too often a "lender of first resort."

THE MEANING OF SUCCESS

Even where additionality is not negative, there is no reason to credit an Eximbank loan with "success." Presumably, success should mean more than just increasing export revenues. It should mean increasing them enough so that export earnings more than recover the export subsidy. It can be demonstrated that this point is not reached until the elasticity of foreign demand is at least 2.0—that is, when demand rises twice as rapidly as prices drop. It is impossible to believe that the Eximbank could pass any such test. A recent study by the International Monetary Fund indicates that on average the demand elasticity for U.S. exports has been something like 1.5.

Eximbank officials often argue that their activities are justified because foreign governments subsidize exports. But it is not clear why foreign export subsidies should be thought to justify American mimicry. A country that subsidizes exports simply gives away part of its national resources. The benefits to America from buying cheap imports are the same, whether they are cheap because of foreign efficiency, subsidies, or "dumping."

If the foreign subsidies really did lead to a worsening in our trade deficit, this would be corrected through a small depreciation of the dollar. This would make all U.S. exporters more competitive, not just those with influence at Eximbank, and it would also make imports from abroad less competitive. This depreciation would be at least as effective a tool for creating jobs as export subsidies.

Subsidizing exports does make them more competitive in one sense, but it defeats the purpose for which we want competitive exports in the first place. An individual corporation may, of course, benefit from export sales, but for the U.S. economy as a whole the benefit of exports resides in the foreign exchange they generate—which enables the U.S. to import goods and services. When our

exports are more in demand and more valuable, we can buy those imports at lower costs. But when the government subsidizes our exports, each unit of export generates less foreign exchange. True competitiveness is increased only by an increase in American productivity.

There is something especially ludicrous about the manner in which Eximbank goes about "meeting the competition" of its counterparts overseas. Suppose a foreign agency is offering to finance exports to Australia with credit at 8% interest. In its effort to be competitive, Eximbank will mechanically match the terms of the foreign loan—including the interest rate—when it finances U.S. exports to Australia. But there is no reason for the interest rate to be the same when the two loans are in different currencies. To assume that an 8% loan in dollars is equivalent to an 8% loan in marks, francs, or yen is to ignore the fact that the currencies involved have different inflation rates; the nominally uniform 8% conceals sizable differences in real rates. An 8% rate in relatively stable German or Swiss currency might be at or above market rates, while the Eximbank loan could be several percentage points below U.S. rates. Instead of being "competitive," the Eximbank loan would contain a huge additional subsidy.

A GALLING ILLUSION

Griff Ellison, vice president of Eximbank for public affairs, explains this mindless pursuit of nominal parity as necessary because of the naiveté of businessmen: "Despite the very sound economic reasoning that there is a difference between an 8% deutsche-mark rate and an 8% dollar rate, the purchasers out there don't buy it. All they see is the 8%." However, the bank has no evidence to support the unlikely proposition that businessmen are blind to exchange-rate realities. A recent Treasury staff memo criticized Eximbank's policies as "interest-rate illusion at its most galling."

Perhaps the real message in the Eximbank's foolishness about interest rates is that the bank's directors are themselves blind to the economic consequences of their behavior. Why the bank's follies should continue to be funded by American taxpayers is most unclear.●

ACTION NEEDED ON SWINE HEALTH PROTECTION

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. FINDLEY. Mr. Speaker, hog producers throughout this country are very much concerned about a possible invasion of African swine fever which has become established in the Western Hemisphere as close as Cuba and Haiti. This most virulent of foreign hog diseases could create economic havoc in our pork industry if widespread outbreaks should occur. Therefore, I sincerely hope that favorable action will be taken in this session on H.R. 6593, introduced by Mr. Madigan and myself. The disease is spread primarily through infected pork scraps in raw or improperly cooked garbage fed to swine. Except when a State law bans garbage feeding, H.R. 6593 provides that garbage may be fed to swine only if treated to kill disease organisms, in accordance with U.S. Depart-

ment of Agriculture regulations. It is the intent of this legislation to strengthen the cooperative State-Federal animal health programs that already exist to carry out this program effectively.

The highly respected agricultural magazine, *Farm Journal*, has carried a number of articles pointing up the seriousness of the potential for African swine fever to gain a foothold in the United States. Following is the most recent article, which appeared in the August column of *Hog Extra*, Editor John Russell:

YOUR HOG BUSINESS

Garbage feeders oppose bill—Most witnesses at a recent House ag subcommittee hearing endorsed a bill requiring treatment of garbage to kill African swine fever (ASF) virus.

But John D. Villari, representing New Jersey garbage feeders, called "enactment of a federal law both unnecessary and an added expense to taxpayers." Robert Horton, spokesman for the New Jersey Department of Agriculture, said they cannot support the bill in its present form "because the legislation is duplicative and won't really do what it's intended to do." Gene Schlichman testified that National Food and Conservation Through Swine (FACTS) also considers the bill unnecessary.

The bill, H.R. 6593, introduced by Rep. Paul Findley (R., Ill.) and Rep. Ed Madigan (R., Ill.), is co-sponsored by 43 other House members—21 Democrats and 22 Republicans. Identical legislation (S. 2612) has been introduced in the Senate by Sen. Charles Percy (R., Ill.) and Sen. George McGovern (D., S.D.).

Ralph Wennblom, *Farm Journal* Washington editor, says chances for passing the legislation before Congress adjourns Oct. 3 are only so-so because many other bills are lined up before it.

USDA has dragged its feet, apparently because the Office of Management and Budget hasn't gotten around to making up its mind on the proposed legislation. That, more than any objections by USDA scientists, was believed to be the reason why James O. Lee, Jr., acting administrator of the Animal and Plant Health Inspection Service, testified that "the Department recommends that Congress defer action on this bill until the Administration can more fully review the problem the bill seeks to deal with, and study more completely the possible solutions."

Testifying in favor were spokesmen for the American Veterinary Medical Association, American Farm Bureau Federation, National Cattlemen's Association and National Pork Producers Council.

A letter supporting the bill to your representative and senators would improve its chances considerably. Mention the bill by number.●

H.R. 7262

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. ROSENTHAL. Mr. Speaker, the bill before the House today, H.R. 7262, the Housing and Community Development Act of 1980, will in all probability be the last major housing legislation of this Congress. I find it distress-

ing that this bill excludes any action or discussion of the serious problem of condominium and cooperative conversions that is currently sweeping the urban centers of our Nation.

"Condomania," the virtually uncontrolled conversion of rental apartments to condominiums and cooperatives, is creating a dangerous shortage of rental housing across the entire country and is displacing hundreds of thousands of tenants. The first to feel the impact are elderly and low- and moderate-income tenants. They find themselves competing for a dwindling number of available rental units at ever-increasing prices.

The magnitude of the displacement problem is enormous. In addition to the social and psychological hardships of moving, there are economic penalties as well. Because conversions typically occur in cities with few rental vacancies, they decrease the number of available rental apartments to critically low levels. This raises the rents in remaining buildings. In addition, many tenants faced with the difficult prospect of searching for new housing in a tight market often feel forced to purchase their converted apartment even though they would prefer to rent. Conversions thus deprive tenants of the freedom and mobility they enjoy as renters.

The GAO, in their most recent report on rental housing, stresses that the loss of existing rental units from conversions into condominiums has created a crisis in the national rental market. So few new rental units are being built that any conversions drastically effect rental availability. The GAO concludes that the rental housing problem is so severe that it requires the immediate attention of and action by the Congress and the administration.

The Federal Government clearly has a responsibility to deal with the conversion crisis. Our national housing policy commits the Government to insuring a decent home and suitable living environment for every American family. We are already spending billions of dollars to provide rental housing for the poor, and numerous Federal programs seek to increase the supply of rental housing. Federal leadership in regulating the conversion process in order to preserve and create new rental opportunities clearly has ample policy precedent. Since local and State action has been minimal and inadequate, national legislation must be passed now to halt displacement and prevent the demise of the rental housing industry.

Last year's housing bill included a mandate that HUD conduct a nationwide survey of the condomania phenomenon. This report was recently released and its findings are less than clear. I feel it is of national importance that the Congress not forget the seriousness of this problem. I urge my colleagues and the appropriate House committees to deal with the conver-

sion crisis as expeditiously as possible. ●

A FORMER NEW ENGLAND PATRIOT ENDORSES WALGREN SPINAL CORD RESEARCH BILL

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. WALGREN. Mr. Speaker, I am pleased to share with my colleagues a letter I received today from a former professional football player, Darryl Stingley, who was paralyzed during a game and who has written me to endorse the spinal cord regeneration research bill which I and 80 of my colleagues have introduced. His letter is reproduced below:

AUGUST 6, 1980.

Representative DOUG WALGREN,
Cannon House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE WALGREN: In reference to H.R. 4358 Walgren Bill, I, Darryl F. Stingley, former professional football player with The New England Patriots Football Club, now Executive Director of Player Personnel with same organization, recovering from spinal cord injury of August 1978, being of sound mind, and recognizing some of the injustices and lack of support to all spinal cord injury patients, on this date, August 6, 1980, pledge full support to the Walgren Bill mandating the NIH to spend \$16 million on spinal cord regeneration research in fiscal 1981.

It is my belief that if these monies were made available for this research, much more can be done in the way of curing spinal cord injuries in America, and allow some unfortunate individuals a right to the so-called "American dream." It is no doubt in my mind that the funds are available for such research. So, I support any means to push the NIH to make this money available as soon as possible; because people are being crippled everyday, and I find that being crippled in today's society is as serious as having any other terminal illness. I believe that support of this bill is more important than our efforts to strengthen our military might, some other seemingly worthless government-financed programs that waste the American dollar, and the support that we give to many of our allies all over the world.

I say, (let the charity begin at home in America) the support of the Walgren Bill 4358 is owed to us as handicapped citizens of this country.

Respectfully yours,

DARRYL F. STINGLEY. ●

RALLYING SUPPORT FOR COAL

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. MURTHA. Mr. Speaker, I want to take a moment to congratulate Hills, Glosser Bros., and Wal-Mart for a concentrated program to inform Americans about America's energy problems and the need for more use for coal.

Earlier this year, I met with Mr. Alvin Glosser of Johnstown who expressed interest in this idea, and headed the effort to develop positive advertising on the energy issue. The stores of these companies were also used as centers for signing petitions sent to the President expressing the support of citizens for a strong energy policy.

I insert into the CONGRESSIONAL RECORD an article from Discount Store News which outlines the success of this campaign. I also want to express my congratulations to Mr. Alvin Glosser for the outstanding effort he made in stimulating and developing this campaign.

The article follows:

HILLS, GLOSSER BROS. AND WAL-MART RUN AD DRIVE TO SPARK COAL REVIVAL

As most discounters try to cut their use of expensive imported oil and natural gas, three discount chains have begun campaigns advocating the replacement of foreign fuels with something that can be stamped "Made in the U.S.A.": coal.

Hills, Glosser Brothers and Wal-Mart began their programs in the spring and summer, hitting consumers with a barrage of newspaper advertisements intended to gather grass-roots support for the nation's coal industry. Individual methods went even further than the newspaper campaign, including the airing of numerous television and radio spots, passing of petitions and mailing of almost one million letters to Congressmen and Senators urging a unified coal policy.

"We're in coal country and we see what the depression of that [coal] industry is doing to our economy," explained Hills vice president Stephen A. Goldberger. "Too many of the people in our area are unemployed and it's hurting all of us."

Hills began its campaign in June, placing ads in 81 papers that reached an estimated 3.5 million persons. In addition, 30-second television spots and 60-second radio announcements were aired repeatedly during the month.

Goldberger said more than 600,000 form letters were signed by shoppers at Hills stores during June and July and mailed to various Congressmen and Senators. The total sent is expected to surpass one million letters by August.

Glosser's petitions, which garnered 100,000 signatures, were circulated by members of the United Mine Workers Union, who set up booths in 18 of the chain's 20 stores.

Alvin Glosser, president and chief executive officer, said the company's ads were placed in 21 papers and reached an estimated 900,000 persons.

Wal-Mart began its program in the spring, with a full-page ad in 15 papers throughout the company's trading area. The ad urged the development of synthetic fuels and nuclear energy, as well as coal. Chain cashiers also inserted a four-page pamphlet in shoppers' bags.

Officials of the three chains said the effort, although individually planned by the companies was conceptualized at an NMRI policy session held last January in St. Petersburg, Fla.

Glosser said he hoped the campaigns would convince representatives from areas outside the nation's coal-producing regions of the necessity for a change in the country's energy policy.

"We're not just doing this because it's good business practice" he explained, "We

firmly believe that what we're saying is good for the country."●

OBSOLETE EQUIPMENT

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BEARD of Tennessee. Mr. Speaker, I commend to your attention a recent Wall Street Journal editorial on the use of chemical warfare by the U.S.S.R. and the obsolete equipment used by American soldiers for defense against chemical warfare.

Although reports from Afghanistan indicate that the Russians are using chemical warfare, American soldiers are still relying on a 24-year-old gas mask which is virtually useless. Congress can no longer ignore the fact that our military is unable to protect itself against chemical warfare.

The article reads as follows:

HOLDING OUR BREATH

For two decades now the U.S. has been reluctant to take chemical warfare seriously, perhaps because the Geneva Protocol of 1925 limits its use to instances of retaliation. Either the Soviets view Afghanistan, Cambodia, and Laos as matters of "retaliation" or regard the protocol with a sneer. Either way, reports have filtered out of possible Soviet use of chemical weapons in those places.

The status of U.S. chemical-warfare forces thus takes on renewed importance. They also become a source of distress. Consider, for example, the gas mask: small, ugly, but indispensable. According to a recent article in *Defense Week*, the ones on which we depend around the world were first employed in 1956 and haven't been changed since. Which isn't particularly cheering when one considers that they are best described as virtually useless. Wearing eye-glasses can cause the mask to leak, and a three-day stubble means the mask won't fit. Never has neatness counted more.

Design problems also prevent the effective use of such standards as the M16 rifle (the sights are distorted), binoculars, night vision goggles, and four of our latest defense weapons. The TOW, for instance, a long-range anti-tank missile which had long been touted as compensation for the Soviet's disparate number of tanks in Europe, can't be used unless the mask is removed. But then gassed soldiers don't function well either.

A new mask has been in the works for 12 years now. Only it still suffers developmental problems and isn't even in the final engineering stage. Its creators at the Army's Human Engineering Laboratory at Edgewood Arsenal haven't a clue as to when it will be ready.

Our inadequacies do not end here, however. According to William Schneider, a defense specialist at the Hudson Institute, while our vehicles, such as tanks and armored personnel carriers, rumble along per usual, the Soviet equivalents are pressurized and come with a complete set of rubberized suits. Fortunately, our allies have not been as negligent as we. Britain supplies some of our forward air bases with what little advanced chemical-warfare equipment we own.

The USSR maintains, trains, and deploys some 60,000 to 80,000 chemical-warfare troops, a sharp contrast to our 3,000. We, in fact, abandoned our chemical-warfare corps

in the 1960s, and, symptomatic of our atrophy in this area, can't stage effective training because of a prohibition against gas in open-air situations. What defensive measures we have taken concern warnings not protection.

Chemical warfare doesn't rank high as a political favorite. Appropriations for expensive hardware are far more popular. Yet, as recently demonstrated, chemical warfare looms too real to be ignored. After all, few tactics are more economical, efficient, and terrifying than this grim recourse. It's time we remembered the unglamorous but all-too-essential things.●

SINGING THE PRAISES OF TAX CUTS AND GROWTH IN SINGAPORE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. GINGRICH. Mr. Speaker, what country has a population the size of Baltimore's and a GNP that's 23d largest in the world? What country has given a royal funeral for the Phillips Curve, displaying in 1979 an inflation of 4 percent, an unemployment rate of 3.3 percent, and a whopping 9.3 percent increase in real GNP?

The country is Singapore. It has people moving out of poverty at a quick pace, while 60 percent of its citizens pay no taxes. Industry and enterprise, saving and investment—all are flourishing. The nation-state of Singapore is not perfect, but they believe they can solve their problems and they are solving an amazing amount of them.

I commend to my colleagues an article by James K. Glassman in the July 26, 1980, edition of the *New Republic*, entitled "Singapore Swing." Glassman's article is witty and full of insights. Singapore should be studied by any American who would like to see our economy breathe again. Mr. Glassman's article follows:

SINGAPORE SWING

By the fifth course, tea-smoked duck, Mr. Tan had gotten almost giddy. He held his hands out about the width of his shoulders, as though indicating the length of the carp he'd caught on the weekend, and he said to the six of us around the table, "I make bars like this. Steel bars and chocolate bars."

I first thought this was some sort of esoteric Chinese joke, but it turned out that Mr. Tan, a refugee who had come to Singapore from Sumatra 30 years ago, was not merely chairman of the Tourist Promotion Board; he was director of National Iron and Steel Mills Ltd. and Allied Chocolate Industries Ltd.—not to mention Hong Leong Finance Ltd., King's Hotel Ltd., City Development Ltd., and a few others. Tan I Tong was, in short, an exemplary product of what Lee Kuan Yew, prime minister of Singapore for the past 15 years, calls "the rugged society," a society that would send chills of delight down the spines of Adam Smith and Milton Friedman.

The six of us around the table that night in a private dining room at the Oberoi Palace Hotel were not exemplary products of the rugged society. In fact, we were a half-dozen American business reporters who

had been flown halfway around the world in 13 hours on the Concorde; plied with beluga caviar, lobster, steak, Dom Ruinart champagne, and Cuban cigars; plopped down on this 227-square-mile island 85 miles from the equator in the Malacca Straits; and feted with Chinese banquets for four days. We were guests of the rugged society—as well as of British Airways and Singapore Airways—and recipients of such paraphernalia as alarm clocks, recipe books, bathrobes, and splits of Mumm's Cordon Rouge, which would appear, unbidden, in our rooms in the Hilton at odd hours. Also, we were recipients of masses of statistics, bushels of facts. Between bites of sweet-and-sour prawns and draughts of Tiger beer, we learned, for example, that: Singapore's inflation rate last year was 4.0 percent, its unemployment rate, 3.3 percent. (So much for the Phillips Curve.)

The growth in real GNP was 9.3 percent, compared with 2.0 percent for the US, 4.3 percent for West Germany, and 6.0 percent for Japan. Manufacturing volume was up 24 percent in 1979 over 1978; exports were up 35 percent.

Per capita income is around \$3,000, second highest in Asia after Japan. The infant mortality rate is lower than Great Britain's.

With a population of 2,362,700—roughly the size of greater Baltimore—Singapore ranks 23rd in the world in GNP. And it's the third largest port, bigger than New York.

There are 89 banks here, 76 of them foreign. In 1979 they had eight billion dollars in loans outstanding, an increase of 60 percent in two years. There are 3,176 manufacturing establishments, an increase of 20 percent in two years.

All of this gushing commerce has occurred in a country with a rotten climate—hot and humid year-round with the sun straight overhead at 7:30 a.m.—and no natural resources. Singapore's most important indigenous export is orchids; the island imports nearly all of its food except pigs and poultry and a wonderful fruit called durian, which smells vile but is supposed to be a powerful aphrodisiac. Sir James Scott wrote of durian in 1882: "Some Englishmen will tell you that the flavour and odour of the fruit may be realized by eating a 'garlic custard' over a London sewer."

I'll admit that I came to Singapore theologically prepared to enjoy what I saw. They really didn't have to give me the alarm clocks and the sweet-and-sour prawns. As one who actually sees the merit of the Laffer Curve and of Jude Wanniski's version of *The Way the World Works*, I came as a Reaganite John Reed, as easily impressed as a leftist pilgrim to Lenin's Russia. As governments muddle more and more in Western economies, Southeast Asia is going the other way, becoming a laboratory for the study of capitalism unleashed. Countries like South Korea, Taiwan, Hong Kong, and now Sri Lanka are thriving on low taxes and on hospitality to multinational corporations. Singapore is certainly the most serious—and perhaps the most successful—of this lot. There have been two personal income tax cuts in the past two years. The 50 percent bracket begins at \$200,000 of taxable income, compared with \$44,700 in the US, and the top bracket for earned or unearned income is 55 percent, beginning at \$300,000, compared with 70 percent at \$161,300 in this country. Taxes are low across the board; more than 60 percent of the population pays none at all. However, it's not just the tax rates themselves, but the government's attitude toward taxation that's so refreshing. Here we have Mr. Goh Chok Tong, minister for Trade and Industry, in a speech he gave last March entitled

"We Must Dare to Achieve" (Singaporeans have a weakness for slogans):

"We shall be wise to take note of the results on those societies where personal income tax has been used to equalize spendable incomes in the name of progressive taxation. It has blunted the incentive to outperform one's peers; it has levelled the gifted and the industrious down to the mediocre and the indolent. . . . The results have been ruinous for economies like Britain. Overemphasis on dividing up the national cake equally has ended up in smaller pieces of a non-growing cake."

The architect of this tax policy, and of practically everything else in Singapore, is Lee Kuan Yew, founder of the People's Action party 25 years ago and the nation's leader from 1959, when it won autonomy from Britain, through 1963, when it joined Malaya for two acrimonious years as part of Malaysia, until today. Robert Shaplen calls Lee, who was educated at Cambridge, "the most intellectual, astute, irascible, and endurable" of all the leaders of Southeast Asia. There is no personality cult surrounding him—I never saw a picture of Lee during my visit to Singapore, though the *Straits Times*, the English-language daily, has a penchant for running articles that begin "Prime Minister Lee Kuan Yew yesterday. . . ." Lee's popularity is the result not only of his early suppression of opposition to the PAP but of the munificent products of his regime. Lee's economic policies bear a striking resemblance to Social Darwinism. Several years ago, for example, Lee said frankly that "growth must come before sharing." Still, as income rose, a dramatic redistribution of wealth took place: between 1966 and 1973, those earning the lowest incomes (below 150 Singapore dollars, each worth roughly 50 US cents) fell from 43.5 percent to 25.3 percent of the population.

Curiously, Lee calls his form of government in Singapore "socialist." And there are certain traces of the welfare state around. For instance, nearly 70 percent of the people now live in public housing projects, in which families either rent their apartments at nominal fees (between seven and 15 US dollars a month) or buy them through a nifty arrangement—borrowing against the value they've built up in the Singaporean equivalent of a Social Security fund. An older three-room suburban flat sells for around \$8,000; a new, five-room urban one, \$30,000. There are government hospitals and schools (though secondary education is not compulsory), a tiny amount of public assistance is available to destitute families, and a few orphanages and day care centers have been set up. But in the rugged society you mostly have to get along on your own. Companies have private workers' compensation plans, for example, but there is no unemployment insurance.

Somerset Maugham called Singapore "the meetingplace of many races." But the Chinese, most of them one or two generations removed from the mainland, like Lee himself, make up 76 percent of the population. Most of the rest are Malays from the jungles and mountains to the north of Singapore, or Tamils from south India with dark skin and lovely, clear, round eyes. Chinese, especially those with the gumption to emigrate, are said to be particularly hard workers, as though it were in their genes. That was essentially the point that the program "60 Minutes" made in 1978: "The language here is English," intoned Morley Safer. "The prevailing atmosphere is distinctly Chinese—that highly scrutable Chinese business of business, day and night and day, work; always heavily spiced with food—constant snacking, noshing, and nibbling between dealing. Nowhere will you find people

not just willing to work but wanting to work the way these people do." Perhaps. But they weren't just born that way. Singaporeans work partly because they get to keep most of the fruits of their labor, and partly because they have no choice.

"What happens," asked one of my colleagues of Yeo Song Teck, director of the Economic Development Board, "if someone is physically able to work but he just won't? Do you let him starve?"

Mr. Yeo, a small, polite man, hissed, "Yes." Then we all went next door to a revolving rooftop restaurant for shark's fin soup, sweet bean-paste pancakes, and more Tiger beer.

Even though there are no price controls, currency controls, tariffs, or requirements that the government take an equity share of private companies, men like Mr. Yeo guide the economy. As Dr. Goh Keng Swee wrote in a 1977 government volume entitled "Socialism That Works": "Taking an overall view of Singapore's economic policy, we can see how radically it differed from the laissez-faire policies of the colonial era. These had led Singapore to a dead end, with little economic growth, massive unemployment, wretched housing, and inadequate education. We had to try a most activist and interventionist approach."

Well, not all that activist. What the government did was to set up huge industrial parks, and to lease the land for factories. It also gave tax breaks—including holidays of up to 10 years from paying the corporate levy of 40 percent—to industries it particularly wanted to encourage. Right now it is favoring businesses that are not labor-intensive and not polluting and that provide jobs requiring technical skills—in other words, semi-conductor plants rather than steel plants. About two-thirds of the manufacturing investment in the country now comes from foreign companies—Hewlett-Packard, General Electric, Timex, Union Carbide, Honeywell, Fairchild, Dunlop, Shell, Mitsubishi, Hitachi, and on and on.

There is a good deal not to like in Singapore. The central city has all the charm of downtown Houston. There's a glaring lack of culture—unless you're a fan of movies like "Iron Bridge Kung Fu" and TV shows like "Palladin" and "The Flintstones." There's a sad paucity of vice here too. The transvestites of Bugis Street are harmless. And the gorgeous, large-breasted Malay women who sit in sparkling silks on benches along Orchard Road outside the Hilton and the Mandarin, whispering at passersby, "You want mushudge?", are vestiges of poorer, happier days. They never seem to get any business; everyone wants to get to sleep early to prepare for tomorrow's money-making.

Singaporeans, in a manner astonishing to Americans, are rule-followers. Their streets and sidewalks are probably the cleanest in the world—it took me a whole day to find a cigarette butt—because there's a \$250 fine for litterers. They cut their population growth rate in half, down to 1.3 percent, after the government began sloganeering that "Two Is Enough" and passing a few tax incentives for smaller families. And they unclogged their downtown streets by requiring that cars entering the central business district during the morning rush hour either carry four or more passengers or display a daily permit costing \$2.50 to five dollars. Then there's the matter of long hair. It's not illegal, but the people who run the country don't like it. There are signs outside most factories warning, "No admittance to persons sporting long hair," and the official government tourist publication has this to say: "Male visitors are advised to have their hair cut if it reaches below the top of their

shirt collar. The authorities frown on long hair. Please note that long-haired persons will be served last at all government departments and offices." It can be a long wait for a stamp.

This atmosphere of prudery and officiousness is particularly disappointing to those of us who like to think that economic competition and diversity make life richer and a lot more fun. It doesn't work that way. Consider, for example, the press. It's licensed and timid, and it runs stories on the front page like this one:

ACS BID TO SNUFF OUT SNOBBERY—BY SIT MENG CHUE

Anglo-Chinese School students were yesterday issued a set of 13 rules designed to snuff out social snobbery when they returned to their classrooms for the new term. . . .

The rules will apply to students of the junior college, the secondary school and both primary schools.

They will come into effect on July 7 and will, among other things, ban the use of briefcases, "expensive" wrist watches, tinted spectacles (unless prescribed by a doctor), jewelry or other decorative items and "expensive" writing instruments.

Sumptuary laws! Perfect for the last bastion of the Protestant ethic, a country that bans *Playboy* and fines people \$250 for smoking in elevators. Singapore is not all like this. Paul Theroux, who lived here for three years, wrote in *The Great Railway Bazaar* that there is a fringe, latterly somewhat narrower than it was, where life continues aimlessly, unimpeded by the police or the Ministry of Technology. On this fringe, which is thick with bars, people celebrate Saturday with a curry lunch and drink beer all afternoon . . . and some of the bars have verandas where in the evening a group of drinkers might find a half-hour's diversion in watching a fat gecko loudly gobble a sausage fly.

I missed that part of Singapore, and, after three days of trying, I gave up my search for durian. Now, after the big farewell dinner with Mr. Tan and his steel bars and chocolate bars, I am sitting in the back section of the Concorde, sipping Remy Martin cognac and puffing on a Bolivar (a bit dry, if you must know) and watching the Nile valley slip by outside my window. In a few minutes, we cross the Mediterranean, glide up the Adriatic, coast over Venice and the Alps. I am thinking about Singapore: do rugged societies always prosper? Are prosperous societies always dull? These are tough questions. Steward, another cognac, please.●

PERSONAL EXPLANATION

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Ms. HOLTZMAN. Mr. Speaker, I was unable to be present on May 30. Had I been present, I would have voted as follows:

Rollcall 276, yes.

Rollcall 277, yes.

Rollcall 279, no.

Rollcall 280, yes.

Rollcall 284, yes.

On June 5, I was unable to be present for the following rollcalls. Had I been present, I would have voted:

Rollcall 299, no.

Rollcall 300, yes.

Rollcall 301, yes.●

MR. BLUM'S RESOLUTION

HON. RICHARD NOLAN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. NOLAN. Mr. Speaker, I have been corresponding regularly with Mr. Charles E. Blum, of Foley, Minn., since February of this year for the purpose of assisting him to the greatest extent possible in his efforts to promote a three-tiered energy conservation resolution. Mr. Blum has spent hundreds of hours tirelessly championing this resolution in local political meetings, State capitols throughout the Nation, and in the Halls of Congress. This resolution is a nonpartisan effort because it seeks only to conserve gasoline and home heating fuels while reducing inflationary factors caused by spiraling fuel prices.

Mr. Blum's resolution reads as follows:

1. Set a minimum of 92-94 octane for the lowest grade of gasoline sold.
2. Set a minimum Btu standard for maximum efficiency for fuel oil.
3. Establish maximum percentages on profits of oil companies, refiners, wholesalers, gas stations and fuel oil distributors.

Achieving these objectives is merely a question of processing, quality control and the establishment of a reasonable profit margin. No new technologies are involved. No increase in capital investment is required. The only requirement is cooperation between producers, consumers, and government.

To expand further on Mr. Blum's resolution, I offer at this point, a short explanation of each of the three tiers as provided by Mr. Blum:

1. WHAT IS ON THE PUMP IS NOT WHAT YOU GET IN YOUR TANK!

The octane of the gasoline now being pumped may be as low as 83 octane. A minimum of 92 to 94 octane for the lowest grade of gasoline would return octane levels to where they were ten years ago. By raising the octane levels back up, we will get better mileage. My auto owner's manual for my 1979 Ford says the car will run most efficiently on gasoline with an octane rating of 91. It also states that damage to the engine will result if gasoline with an octane rating of 87 or less is used. If your engine pings and knocks, the octane is too low for the engine and premature wear or damage may result. Moreover, inferior octane levels are causing you to use more gasoline while obtaining fewer miles per gallon. By using Premium grade (93 octane), my vehicle has increased in efficiency by 33 percent. I have found similar increases in other vehicles which I have tested. It would appear this situation is reinforced by at least one major gasoline producer which offers the public more engine efficiency with the purchase of its unleaded premium gasoline over its regular grade.

2. WHEN YOU ORDER NO. 2 FUEL OIL YOU DO NOT GET IT!

You get No. 1 and No. 2 mixed (or winter blend) at a higher cost, less efficiency and greater wear on your oil pumps. This mixture is only needed for about 5 percent of

our heating needs in Minnesota and then only if the tank is above ground and outside. This practice is causing a gross waste of 3-5 percent of all fuel oil used in the State of Minnesota. And, because No. 1 fuel oil costs more, (greater refining costs) costs go up for both producer and consumer.

3. REGULATE, DON'T DEREGULATE!

In Minnesota, when Bell Telephone or Northern States Power wishes to increase its rates, the utility must appear before the Public Service Commission to justify its request. The PSC is made up of appointed individuals with consumer input. Most often rate increase requests can be justified and are, as such, granted, without placing undue burden on the consumer. These companies are making good profits while under the regulation of the PSC. We need such a Commission to oversee oil companies as well. In fact, six states are currently working on the establishment of such a Commission to control excessive overpricing of fuels. A Commission of this nature is needed desperately at the national level. This is our only means of restoring accountability in the energy industry. After all, energy is one necessity we can not do without and, therefore, accountability is imperative.

Charles Blum has devoted a great deal of time, effort, and research into this resolution. It is my conviction that we need to look closer at these proposals from a point of saving money, saving fuel, and reigning inflation. I therefore urge my colleagues to examine this proposal closely. To be sure, we are all affected and must look to the best interest of our constituencies as we come to grips with this energy crisis.●

SECTION-BY-SECTION ANALYSIS OF H.R. 7885, THE BIOMASS RESEARCH AND DEVELOPMENT ACT OF 1980

HON. CECIL (CEC) HEFTTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. HEFTTEL. Mr. Speaker, on July 30, Congressman FITHIAN and I introduced H.R. 7885, legislation aimed at accelerating the Department of Energy's research effort into the multifaceted character of biomass energy. Although the comprehensive synfuels legislation just enacted by Congress provides funds for a biomass to alcohol commercialization program, we feel that there are many other biomass technologies which may require further development in order to maximize their energy yield and process efficiency. We hope that our colleagues will join in cosponsoring H.R. 7885 and that the legislation will serve as a springboard for the more rapid demonstration and commercialization of these many and varied biomass technologies.

Mr. Speaker, at this time I present a short summary of the provisions of H.R. 7885 for the RECORD:

Section I—"Biomass Research and Development Act of 1980."

Section II—Congress finds that:

The Nation's energy is diminishing;

The U.S. has become increasingly dependent on oil imports;

There are serious economic and national security consequences of oil imports;

Biomass can contribute substantially to our near and long term energy needs;

The Federal Government has a responsibility to encourage the rapid development of all alternative renewable domestic sources of energy;

Basic research is needed to achieve maximum biomass energy production; and

Because of the multiplicity of biomass feedstocks and processes, a comprehensive and coordinated Federal program is essential if the full potential of biomass as an energy source is to be realized.

The purposes of the legislation are to—

Direct attention to specific applications of biomass for various regions of our nation;

Study new ways to increase the efficiency of biomass energy production;

Reduce the cost of biomass energy to levels competitive with conventional energy sources by the end of fiscal year 1986;

Encourage the development of biomass energy resources and land which is unsuited for cultivating food crops;

Encourage the development of methods of producing energy from agricultural waste products;

Coordinate existing biomass energy programs;

Assure the production of at least 3 quads of energy from biomass (the equivalent of 1½ million barrels of oil daily) by 1986.

Section III—The legislation defines the terms "conventional energy sources", "Federal facility", and "public and private entity".

Section IV—Research, development, and demonstration program:

The legislation establishes a 6 year program of biomass research, development, and demonstration beginning in fiscal year 1981.

The bill sets forth specific areas for RD+D including biomass feedstocks, conversion processes, and end uses.

The legislation provides financial assistance to private industry for the purposes of developing and demonstrating biomass energy systems.

The bill allows the Secretary of Energy to convey title to purchasers of biomass systems and to monitor the systems to get the data needed.

Section V—Biomass Resource Assessment:

The Secretary of Energy is directed to conduct a three year program of biomass resource assessment to—

Conduct activities to validate existing assessments of known biomass resources;

Perform assessments in regions of the U.S. where the use of biomass energy may prove feasible;

Initiate a general site prospecting program;

Establish standard biomass data collection and siting techniques;

Make public information available on the known biomass energy resources of various regions throughout the U.S.

Section VI—Comprehensive Program Management Plan:

Directs preparation of a comprehensive program management plan, to be developed by the Secretary of Energy in consultation with the Department of Agriculture, Environmental Protection Agency, National Science Foundation, and the Tennessee Valley Authority.

Specifically directs that staffing requirements for the program and plans to meet those requirements be a part of the comprehensive plan.

Requires transmission of plan to authorizing committees within nine months after passage of the bill.

Requires updated version of plan to be transmitted to Congress yearly with the Budget, to set forth changes in: objectives of program; elements of program, structure, activities; strategies and commercialization plans, including milestone goals; cost to federal government; and justification of changes.

Section VII—Criteria for Program Selection:

Sets priority goals for project support—

Preference to be given to those projects which make use of land which is unsuited for cultivating food crops, and projects which otherwise minimize competition between energy and food as biomass end uses;

Minimization of operations, maintenance, and capital construction costs;

Bringing costs of biomass energy down to a level competitive with energy costs from conventional energy systems;

Encouragement of private industry cost sharing with the federal government;

Encouragement of use of domestically obtained feedstock;

Encouragement of private sector participation in the program; and

Emphasis to the greatest extent practicable on programs which utilize small-scale biomass technologies and projects with near-term energy potential.

Section VIII—Monitoring, Information Gathering and Liaison:

Requires Secretary to monitor data and disseminate it and to maintain liaison with private industry and scientific community.

Section IX—Studies and Dissemination of Information:

Requires Secretary to make public as much information as possible so as to encourage widespread use of biomass energy.

Requires Secretary to make recommendations, within 18 months, on a program of incentives to users and purchasers, to accelerate commercial application of biomass technologies.

Requires Secretary to make recommendations, within 12 months, on the need for financial assistance to manufacturers of biomass energy systems.

Section X—Federal Biomass Energy Utilization Program:

Sets aside a portion of funds under the bill for federal procurement of biomass systems for power production for Federal facilities.

Section XI—Encouragement and Protection of Small Business:

Requires Secretary to take steps to assure full participation by small businesses.

Requires Secretary to protect trade secrets of small businesses.

Requires Secretary to take steps to assure compliance with antitrust laws.

Section XII—Authorization of Appropriations:

Authorizes \$150 million for fiscal year 1981 for activities to be carried out under the Act of which \$10 million is to be set aside for the biomass resource assessment program established by Section V and \$10 million to be set aside for the federal procurement program to be established by Section X.●

PRESERVING AMERICAN JOBS THROUGH A STRONG DEFENSE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BROOMFIELD. Mr. Speaker, I am very pleased that a section of the Republican platform is devoted to addressing the problems of insuring the security of energy and raw material access. I have long been concerned about our Nation's dependence on imports for many essential raw materials and the resulting vulnerability of many U.S. industries and, in turn, American jobs, to raw material disruptions.

I most emphatically agree with the platform statement that this problem "can no longer be ignored." The platform validly argues that "reducing reliance on uncertain foreign sources and assuring access to foreign energy and raw materials requires the harmonization of economic policy with our defense and foreign policy." Indeed, the security of energy and raw material access, together with the related problem of protecting foreign markets for American exports, are the two principal reasons why a strong defense is essential for the long-term economic security and prosperity of our Nation.

A disruption in the supply of essential raw materials, or the loss of a market for U.S. exports, would be severely crippling to the U.S. economy. Many U.S. industries would be forced to cut back production, while others would have to shut down entirely. This would cause a considerable increase in both long- and short-term unemployment. Our Nation must not allow this to happen.

As for the status of nonfuel mineral requirements of U.S. industries, 22 of the 24 minerals which are most important to our industries and for which there is a heavy and growing requirement, are obtained primarily through imports. Within this group, there is a net import reliance of between 70 and 100 percent for 17 minerals. While there are substitutes for some of these minerals, employment of these substitutes imposes substantially higher costs to the industries because of increased capital outlays, reduced technical performance standards, and production process conversion time. These minerals are located predominantly in Latin America, Africa, and Southeast Asia.

The Department of the Interior has identified four minerals from this group as being "of most critical importance to U.S. interests." They are cobalt, manganese, chromium, and the platinum group metals.

The United States imports 97 percent of its cobalt supply, a mineral for which there is no substitute as an ingredient in high temperature parts of

jet engines and turbines, and in mining and machine tool bits. U.S. industries obtain 65 percent of their cobalt supply from Zaire, a nation which possesses 60 percent of the world supply, and 7 percent from Zambia, which, together with Morocco, lays claim to 16 percent of the world's cobalt supply.

Manganese is an essential component in steel production, for which it is chiefly employed and cannot be substituted. The United States imports 98 percent of its supply of manganese in the form of manganese which we obtain principally from Gabon—36 percent—and ferromanganese, which we obtain mainly from South Africa—30 percent. Collectively, the U.S.S.R. and South Africa possess 80 percent of the world's manganese supply.

Ninety-two percent of our Nation's chromium supply is imported, in the form of chromite and ferrochrome. Our chief suppliers of chromite are South Africa—35 percent—and the U.S.S.R.—18 percent—and of ferrochrome are South Africa—38 percent—and Zimbabwe—23 percent. South Africa and Zimbabwe collectively possess 94 percent of the world's chromium supply. Chromium has no substitute as an ingredient in stainless steel, and is also of critical importance in heat resisting alloys and plating and in the production of surgical equipment and ball bearings.

The platinum group metals are used principally as a catalyst in car exhaust converters. The United States imports 91 percent of its supply, primarily from South Africa—42 percent—and the U.S.S.R.—26 percent. The world supply of platinum group metals is principally located in South Africa—71 percent—and the U.S.S.R.—27 percent.

The most striking feature about these four minerals, which are crucial to many U.S. industries, is that the world reserves of these minerals are principally concentrated in just five countries: the Soviet Union, South Africa, Zimbabwe, Zaire and Zambia. This makes U.S. industries vulnerable to economic warfare, which could take the form of trade sanctions or exorbitant price hikes by individual supplier nations or by supply cartels. In addition, given the area of concentration, our Nation's industries are constantly in danger of facing supply disruptions as a result of changes in a supplier nation's attitude and policies toward the United States, or because of political instability within a supplier nation.

The most serious threat to the security of U.S. access to raw materials, however, comes from the Soviet Union. The U.S.S.R. is self-sufficient in most of the nonfuel minerals that the United States has to import from politically uncertain nations. Indeed, the Soviet Union lays claims to 80 percent of the nonfuel mineral resources of all Communist countries, and their

reliance on any nonfuel mineral does not exceed 50 percent.

The considerable mineral wealth of the Soviet Union provides Moscow with the capability of waging economic warfare on the United States. This warfare could take many different forms, but our Nation should be particularly prepared for the following. First, the Soviet Union might seize control of important mineral producing countries in the Third World, directly severing the supply line of critical minerals to the United States. Moscow's invasion of Afghanistan has harshly realigned the United States to the threat of such action by the Soviet Union.

Second, the U.S.S.R. may attempt to undermine the internal stability of the critical mineral supplier nations in order to disrupt the supply of essential minerals to the United States. It is by no means inconceivable that the Soviet-Cuban involvement in Africa is motivated by Moscow's desire to deny the U.S. access to the African minerals.

Third, our Nation must be constantly cognizant of the longstanding Soviet obsession to control the world's seaways, an obsession which may become a reality in the 1980's. Such an occurrence would seriously undermine the ability of the United States to insure secure mineral access, notwithstanding the grave consequences for U.S. foreign policy in general. Moscow has been steadily developing its naval capability toward this end. The head of the Soviet Navy, Admiral Gorshkov, has revealed that the Soviet Union's first major nuclear-powered attack aircraft carrier is now under construction. In addition, the Soviet Union has under construction four new classes of nuclear-powered cruisers and a new class of large logistic ships to enable operations far from the home ports. Moscow has also conducted sea trials of a new titanium-hull submarine that is faster than any U.S. vessel.

Expanding this analysis beyond nonfuel minerals, the Soviet Union also threatens our access to petroleum. The Central Intelligence Agency reported last year that the U.S.S.R. will, in the near future, discontinue exporting oil and be forced instead to import it. Moreover, the CIA report predicted that this change would result in the Soviet Union directly competing with the United States and allied countries for the same sources of oil. This development, together with the recent Soviet invasion of Afghanistan, and the unrest in Iran, makes the oil-rich Near East land mass an area particularly vulnerable to Soviet adventurism. The important sea routes which flank this area have narrow passageways which increase the difficulty of insuring our Nation's access to the oil supplies.

Just as secure access to foreign strategic minerals is vital to our Nation's economy, so is preserving our industry's access to foreign markets for U.S. exports. The most significant U.S. export in this regard is agriculture, in

recent years one of the few positive factors in our balance of payments. The American agricultural export industry is huge—almost one harvested U.S. acre in three produces for export—and, due to its size, it greatly benefits the U.S. economy.

The magnitude of the industry has encouraged efficiency in U.S. agricultural production through economies of scale, thereby reducing food costs to U.S. consumers. Moreover, the U.S. agricultural export industry has increased nonfarm income and stimulated off-farm employment to the level whereby approximately 1.2 million full-time civilian jobs are related to U.S. agricultural exports.

The foreign markets for U.S. agricultural exports are concentrated among the Third World nations. Thus, most of the threats to insuring the security of energy and raw material access, identified earlier, would also undermine our industries' access to foreign markets.

The United States is, at present, inadequately prepared to safeguard U.S. businesses from potential events which would threaten the security of energy and raw material access and the preservation of access to foreign markets for U.S. exports. Our Nation must act quickly and decisively to reverse this situation before a major supply disruption occurs or foreign market is lost.

The essential first step we must take to reverse this situation is to strengthen our military power strategically and conventionally, including our ability to quickly project power throughout the world. Our Nation's defense capability must be perceived by Moscow as a credible deterrent to Soviet adventurism. In particular, we must substantially improve our naval forces in order to counter the longstanding Soviet aspirations toward control over the world's seaways. The record of the Carter administration in this regard is abysmal. In the last 3 years, the United States has reduced shipbuilding, canceled the B-1 bomber, and delayed the MX missile program, thus weakening defense programs essential to the economic security of our Nation. Moreover, the current administration has failed to address the basic problem of skilled military personnel retention.

Furthermore, immediate steps must be taken to restore the overall integrity and effectiveness of U.S. intelligence. An improved intelligence network is needed to adequately forewarn our Nation about any international events that might adversely affect our economic interests abroad. The substantial dependence of U.S. industries on imported raw materials and foreign markets for U.S. exports make it essential that our Nation has an effective intelligence network to protect our economy from unstabling events.

Finally, the United States needs to face up to the strategic realities of the world as it is. To adequately protect our economic interests abroad in the 1980's, our Nation must place a re-

newed emphasis upon collective security among the free democratic societies of the world.

I advocate the development of a voluntary alliance of about 10 to 20 seagoing, trading allies with whom we could share political, economic, and military burdens to provide mutual security against the Soviet Union and their satellites and also to maintain a balance of world power favorable to the free nations of the world. The primary purpose of the alliance would be to protect the seaways linking the great democratic trading nations to the most important suppliers of raw materials resources. In addition, such an alliance would help the member nations preserve their access to foreign markets for exports by better guaranteeing export passage through the strategic chokepoints of the world. In this regard, the Carter administration has revealed little creativity toward the development of such seagoing alliances.

Our Nation must act now to strengthen our military forces, improve our intelligence network and develop a voluntary alliance of the free seagoing, trading nations. In so doing, we would be acting to preserve the long-term economic stability and prosperity of our free enterprise system, and to protect the American jobs that would be lost if key foreign mineral supplies are inaccessible to U.S. industries, or if access to foreign markets is severed.●

ROBERT IRRMANN

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. ASPIN. Mr. Speaker, for over 30 years Beloit College in Wisconsin was fortunate enough to have Robert Irrmann as a professor. This spring, he retired to work on the school archives, and will be sorely missed by faculty, alumnae, and the student body.

At 13 years of age, Irrmann was stricken with polio. During his long hours of confinement, he began to study history and overcame his handicap to become what one colleague called "an old-fashioned spellbinder."

His best tribute came from a former student who said: "He made us intensely aware of how the world has come to be the way it is, for better or worse—and aware that the world is an awfully interesting place."●

CWA's STATEMENT ON JOBS
AND ENERGY

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. MOFFETT. Mr. Speaker, several weeks ago, I referred to the excellent statement by the Communica-

tions Workers of America regarding energy policy. I would also like to draw my colleague's attention to CWA's views on the relationship between energy policy and jobs policy. I believe a sound energy policy is critical to the well-being of our economy and the individual workers within it. The views of CWA on this issue are extremely valuable and worthy of careful review and consideration.

ENERGY, JOBS AND THE ECONOMY

Ever since the five month OPEC cartel in 1973, Americans have become increasingly aware of the harmful economic effects of rising energy prices, uncertain supplies and our dependence on foreign oil. Volatile energy prices restrain economic activity, leading to an inequitable distribution of goods and services and loss of jobs.

Economic vitality is the chief determinant of a full employment economy, not energy use. For many years now, certain members of the energy industry have advocated the false belief that growing energy use must parallel national output if we are to achieve and maintain full employment. For example, they would claim that a doubling of energy consumption is required to double the Gross National Product (GNP). However, the historical relationship between energy use and GNP does not support this belief. As can be seen from Table II, the amount of energy per unit of GNP varied widely with economic growth rates from 1950 to 1975.

TABLE II.—RATIO OF ENERGY GROWTH TO ECONOMIC GROWTH IN THE UNITED STATES VARIES

	Unit ¹	Percent ²
1950 to 1955	0.63	4.3
1955 to 1960	1.10	2.2
1960 to 1965	.81	4.8
1965 to 1970	1.45	3.2
1970 to 1975	.65	2.1

¹ Unit of energy for every unit of GNP.

² Economic growth rate.

Source: Herman Franssen, *Energy—An Uncertain Future: An Analysis of U.S. and World Energy Projections Through 1990*.

Clearly, the data indicates that energy use and aggregate output do not move in lockstep. Reinforcing this conclusion are recent experiments of the National Academy of Science (NAS) with six econometric models. The results show great flexibility in the ratio of the amount of energy consumed to economic output. Therefore, the potential exists for continued economic growth without increasing our energy consumption. In fact, the NAS study concluded that "a strong economy could well exist three or four decades hence with a ratio of energy use to GNP as low as half the present."

INEFFICIENCY AND WASTE

The efficient allocation of energy resources is the best way to redirect our economy onto a path towards growth and full employment. Since the onset of the energy crisis in 1973, Americans have become increasingly aware of energy waste and inefficiencies in transportation, residential and commercial buildings and production. This situation could be alleviated through the exploration and development of all types of energy sources.

In the past, the introduction of improved energy technologies has dramatically reduced energy consumption while contributing to rapid economic growth. For example, in 1900 it took seven pounds of coal to generate one kilowatt hour of electricity. By 1920 this had dropped to three pounds and by the mid-1950's it took less than one

pound of coal to generate a kilowatt hour. Similarly, the replacement of steam power by diesel engines for locomotives led to a sixfold improvement in the apparent energy consumption for trains while maintaining GNP growth.

Technological innovations which change the form in which energy is available have also substantially affected energy use. For instance, the widespread introduction of electricity and the internal combustion engine changed America's energy use pattern and rate of consumption. The introduction of electricity increased the overall productive efficiency of the economy, particularly in manufacturing, by replacing the steam engine. In agriculture, the internal combustion engine pushed productivity to levels hardly ever imagined before.

International comparisons suggest areas in which energy waste and inefficiencies could be eliminated in the United States. The transportation sector, for example, reveals the greatest area of waste by the United States when compared to Europe. Not only do American cars use 50 percent more fuel per mile than Europeans, but Americans drive more. A majority of these miles are in the city and reflect the lack of mass transit alternatives.

Another major area of waste is in residential and commercial heating and cooling. Americans use twice as much energy to heat their homes as do the Swedes, even after adjusting for climatic variations and the different sizes of houses. In the United States, residential and commercial buildings require 38 percent of our nation's energy supply, and much of this is wasted. By "plugging the leaks" through such conservation measures as increased efficiency of new appliances, insulation, or improved lighting, we could substantially reduce our energy consumption without changing our lifestyle.

Many industrial production processes are another source of energy waste. Sweden, for example, uses 85 percent as much energy per unit of production as does the United States. This difference reflects consideration of energy-efficient methods in engineering designs.

TOWARDS A NATIONAL ENERGY POLICY

Our national energy policy should ensure adequate, affordable energy supplies to all Americans. In conjunction with this goal, all policies must be coordinated with the aim of achieving and maintaining a full employment economy. We should re-emphasize that employment levels are dependent on overall economic activity, not on energy expansion. Finally, we have an obligation to ensure that the social and economic burdens of achieving our goals be shared equitably by all.

We support the development and expansion of all types of energy alternatives, including coal, solar power, geothermal power, synthetic fuels, wind and tide. Among the existing technologies, conservation will play an indispensable role in our energy future. For increased energy production, coal is the most likely transition fuel to wean us from our dependence on foreign oil. We possess more coal than any other nation, yet we have not used this resource to our best advantage. Nuclear power is embroiled in growing political entanglements which most likely may prevent it from developing beyond its current contribution of energy production. We only support the continued development of nuclear energy plants which have adequate safeguards for society. Unless new developments prove conclusively that nuclear energy is safe, we recommend that no new nuclear plants be built and that existing plants continue until they are phased out by other sources of energy.

A comprehensive, equitable national energy policy should include the following:

(1) Establishment of a quasi-governmental agency such as the TVA to coordinate exploration and development of energy alternatives, regulate imports and serve as a yardstick to measure the performance of energy production in the private sector.

(2) Direct government grants to support weatherization and conservation measures for residential and commercial buildings. Tax credits are fine for the wealthy, but low and middle income families cannot afford the initial costs of conservation improvements.

(3) Grants and subsidies for mass transportation projects should not be sacrificed as a part of ill-conceived budget cuts.

(4) Manpower policies must provide for workers and their families who are adversely affected by changes in existing energy patterns. Intensive consideration should be given to a national program of relocation and training allowances for workers who are displaced and unemployed because of energy policies.

(5) Gas and electric rate structures should be revised to encourage conservation, not consumption.

(6) Conservation and efficiency and not rising prices, should be the chief means of holding down energy consumption. An example of this would be a federal mandate that automobile manufacturers produce only small, four-cylinder cars. ●

MEALS ON WHEELS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Ms. MIKULSKI. Mr. Speaker, Meals on Wheels is a service which is near and dear to my heart. It embodies many of our American ideals. Using volunteers to package and deliver food to shut-ins, this service is offered to those in need at a very low cost.

I am particularly proud of Meals on Wheels of Central Maryland, which provides home-delivered meals in my congressional district as well as other areas of central Maryland. That organization will be celebrating its 20th anniversary in October of this year. Started by the Baltimore chapter of the National Council of Jewish Women in 1960, the service has grown from 40 meals daily to 2,100 meals.

The service is made available through the efforts of many community organizations, including churches, synagogues, and community associations throughout the region. Funds for this agency come from a wide variety of sources, including private donations as well as Federal funds. The donation of volunteer time and mileage represents the largest contribution this agency receives.

This vital service, which is offered so cost-effectively, is one example of how neighbors are helping neighbors. So often we assume that if Government is not doing it, it is not being done. Well, I know for a fact that Meals on Wheels volunteers in my district as well as other parts of the country are

a significant factor in the prevention of unnecessary institutionalization for many disabled Americans. And, I am proud to share with my colleagues the following article from the Baltimore Sun—Wednesday, August 6—which describes what Meals on Wheels means to clients who receive them:

FRIENDSHIP COMES WITH DINNER WHEN MEALS-ON-WHEELS MAKES ITS ROUNDS
(By Isaac Rehert)

Meals-on-Wheels—everybody knows about them by now.

They're the people who deliver prepared food to the housebound—the aged, the handicapped or the convalescing. And they're the housebound people who receive it.

Meals-on-Wheels has been around now for about 20 years, giving food and a friendly visit to its clients and something different but equally valuable to the volunteers who put these meals together.

Here's Frank Butler, 92 years old, who lives with a chihuahua dog named Ricky in a comfortable home in Northwest Baltimore. He's a tall thin gray-haired man with glasses, nearly blind, who never leaves the house unless it's to be taken to church (at Sharp Street Memorial) or shopping.

"I was an educator all my life. Now there's not much I can do. I've been retired since 1957. That's a long time ago, which sure fooled the devil out of the pension board.

"When I graduated from Morgan College in 1910, they offered me the job of principal of the high school in Cambridge. I was a city boy. The only grass I had ever seen was at Druid Hill Park. But it was a job, it paid \$800 a year, so I went down there.

"I found that what they called the high school was four grades, 5 through 8, all in one room, and I was to teach all of them. School for Negroes only lasted two quarters, from October to March. And the only books we got were hand-me-downs after the white children were through with them.

"But I guess Negroes were smarter than white children since they didn't need as much education.

"I stayed at Cambridge until 1920, then I moved to Annapolis to establish the Bates High School. My salary there was raised to \$1,000.

"My wife, who died in October, would never let me into the kitchen, so I never learned to boil water. Now I'd be helpless without Meals-on-Wheels.

"I love whatever they bring, whether it's chicken or spaghetti, or whatever. The volunteers are nice. I can understand that. They feel they're doing something worthwhile for other people. A lot of satisfaction in that."

Evelyn Mann is a 70-year old diabetic who lives near Hampden. Although she can stand for short periods, most of the time Mrs. Mann stays in her wheelchair. Her front room is her bedroom. In good weather she can get out on her porch to watch the people go by.

"I get along. I have a nice grocer who delivers. I can do my own dishes, although it takes me half an hour. But I've got nothing else to do.

"I've been in and out of the hospital a lot, and it's always a relief to come home. I'm used to being king in my own place, doing what I want when I want to do it. I can't stand it when I'm confined.

"Sometimes people talk about sending me to a nursing home. Not for me. I'm going to fight to stay here—as long as I can, anyway.

"Meals-on-Wheels is a lifesaver. I have breakfast about 6:30 in the morning, when I get up, and they get here about 11:30, and I'm pretty hungry by then.

"I eat the hot meal right away and put the cold food in the refrigerator for my supper.

"It's a comfort knowing somebody is coming. I get along with the neighbors, but I was never one to push myself on people, and there are days I don't get to see anybody. The volunteers are always nice."

For Eddie Rosenfeld, the daily visit from Meals-on-Wheels may have literally been a lifesaver.

Eddie, a well-known artist who just celebrated his 74th birthday and lives on Tyson street, was discovered unconscious one day by a volunteer on his daily rounds. That was about two years ago. But Eddie tells it:

"I'm an epileptic and I guess that morning I forgot to take my pills. They bring the food around 11 o'clock, which is too early, because by supper time I'm starved. And I wish they'd spice it better. Maybe some garlic would give it oomph.

"Anyway, that day, when they came, the door was locked and nobody answered. So they went to a neighbor's and he took them to a store up the street and they came back with a ladder.

"It was my own ladder. I lent it to somebody and never got it back. Now they were using it to get in my second-story window. The windows on the ground floor were locked.

"They found me unconscious on the floor. I was dressed. I guess I had passed out. They got an ambulance and took me to the hospital. I was there a couple of weeks.

"They also brought Meals-on-Wheels to my neighbor Jane Bradshaw when she injured her foot a couple of years ago.

"I wish they wouldn't come so early. It's too long to supper.

"On Fridays I save the hot meal for supper. That's 'cause I have lunch with friends on Fridays. Corned beef, salami, ham and cheese. On Jewish rye bread. Makes a great sandwich.

"We eat the same thing every Friday. With mustard. I keep half a dozen jars of mustard. Want to make sure we don't run out."

You don't have to be old to get Meals-on-Wheels and you don't have to be poor. You just have to be housebound, and the cost runs from \$7.50 to \$17.50 a week, depending on income.

That covers much of the cost, with the rest paid for by the United Way, Associated Catholic Charities, Associated Jewish Charities, Friends of Meals-on-Wheels and Kitchen Assessments.

At the other end of Meals-on-Wheels are the staff, the people who prepare, pack and deliver the food.

The organization has five offices in the city and surrounding counties and has use of 19 kitchens, most of them in churches.

At the kitchen in Brown Memorial Church at 1316 Park avenue, Barbara Alfriend is the manager, Ethel Mack is the cook, Orville Foster is the general helper and there is a staff of about 70 volunteers.

The main course today is deviled chicken livers in mushroom sauce, which Mrs. Mack is dipping, piping hot, from a huge oven pan into a package made of aluminum foil.

There is a mini-assembly line composed of Beth Joerdens, who puts in the buttered rice, Shirley Foy, who adds carrots and peas, and Dorsey Hinks, who operates the simple machine that seals the package.

"I come in on Wednesdays and Thursdays," Mr. Hinks says, between strokes of his machine. "Before I retired I used to work in a photography corporation in Washington. Then a couple of years ago, somebody asked me if I'd be a volunteer, and I'm glad I did."

"Don't forget, it's a worthy cause too," adds Beth Joerdens. "Older people should

remain independent as long as possible, and this helps them to do that."

A kindergarten teacher, Mrs. Joerdens says she has been a Meals-on-Wheels volunteer for 18 years. But she prefers packing to visiting.

"I think it would get to me. I'd get too involved."

Mrs. Foy says she has tried going out on delivery.

"It's really interesting," she said. "People are so glad to see you. They feel you really care about them."

At about 10:45, the delivery people begin to arrive, in pairs, one to drive and one to enter the house. The first are Leon and Josephine Taylor, who have been doing it for eight years.

"This is just a continuation of my work," Mr. Taylor says. "For 40 years I ran a lunch room near Camden Station. Now I'm retired and we live in the Memorial Apartments, not far away. But I'm used to providing people with food. So we come here three mornings a week.

"You have a regular route—14 to 16 each time—so pretty soon you get to know the people. You do them little favors. Like, we have a woman who's nearly blind, and we read her mail to her and thread her needles and deliver letters to the mailbox.

"I don't get too involved, but I do enjoy it."

Helen Kovach and Elsie Hegwood are a second team.

Eleanor Carson recalls the Towson State University professor who is now retired, and Pauline Piper, her teammate, mentions the woman who said to her, "I used to be a volunteer myself for Meals-on-Wheels. But then I broke my leg, and now I'm laid up, and so I'm on the receiving end."

Margaret Robinson explains why she drives in all the way from Ruxton to serve her route with Rodney Hansen.

"You get so much satisfaction. They let you know. Always, you get a big smile, and they show you their treasures. The only complaint you ever hear is that the food is so plentiful.

"The big worry is that they'll have to leave their own homes and enter a nursing home. Recently one of my people got sick and she did go into a nursing home, but then she came back and she was euphoric because she beat them and didn't have to stay."

Now all the volunteers have left, and Mrs. Alfriend tells what it's like running a Meals-on-Wheels kitchen.

"I don't do the actual cooking," she says, "Mrs. Mack does that. But I have to plan and supervise the volunteers. Sometimes, if somebody's missing and I can't find an alternate, I even have to fill in on the assembly line.

"When I took the job, I thought that because I cook for seven at home that would prepare me. But cooking for 70 was something else. But now it's all right."

Each kitchen buys its own supplies, she says, although meals are planned by the central office. That means that on any day all 19 kitchens are serving the same meal. But they don't repeat the same menu for at least six weeks.

Now Mrs. Alfriend also goes home, and it's time for Marcia Weber, director of client service at the central office, to explain where Meals-on-Wheels is now.

"We need volunteers," she says. "We have wonderful teams and they do an excellent job, but we need more of them.

"We'd like to expand our service too—but we can't do a thing without volunteers. People can work as packers or drivers or visitors. And they can work near their homes. Only tell them, please volunteer."

The telephone number is 435-5217.●

EDUCATION FUNDING AND EDUCATORS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. KILDEE. Mr. Speaker, we have devoted much time during this 2d session of the 96th Congress to budgetary and appropriations issues. Some of our recent budget actions such as voting out a balanced budget resolution with a reconciliation clause are unprecedented for this body and have generated confusion and controversy among different constituent groups. I am afraid that many of the supporters of domestic programs, especially social programs, are despairing over whether there is anything they can do at this point to secure adequate appropriations for their programs.

Our colleague, CARL PERKINS, chairman of the Education and Labor Committee, has given a great deal of thought to these matters. He recently wrote down some of his ideas on the budget process as it affects education in an article published in the weekly newspaper *Education Times*. Mr. PERKINS offers sound advice in this article to supporters of education on how they should approach the issue of education appropriations this year. I insert this article by CARL PERKINS into the *RECORD* so that our colleagues, as well as others concerned with education, may benefit from his thinking:

CARL PERKINS COMMENTS ON THE FEDERAL BUDGET IN A YEAR OF CHANGE AND GIVES EDUCATORS ADVICE ABOUT MONEY AND STRATEGIES

Those who have been following the Federal budget process may well believe that Congress has thrown away the rule book this year and is playing a whole new ball game. Moreover, many of you seem to have given up on increased education appropriations and are just waiting to see if your program will be struck out.

There is plenty of evidence to back up this type of attitude. The media has coined a whole new vocabulary to describe this year's budget bickering: phrases like "the new austerity" and "budget-balancing fever." Veteran lobbyists complain that the old alignments don't apply anymore, with liberals and conservatives trying to out-stint each other.

Events are fueling this sense of hopelessness. Congress recently approved a nominally balanced budget, the first since 1969. This budget contains a record peacetime increase in military spending, with little room to negotiate increases in non-entitlement education programs. More importantly, the House and Senate have provided their Budget Committees with a big bat to enforce this fiscal stringency—the so-called "reconciliation" provision.

This provision requires eight House and nine Senate Committees to prepare bills making \$6.4 billion worth of cuts in existing programs, so that spending for these programs does not exceed the limits set in the first budget resolution.

This means that Committees must rewrite certain laws to guarantee a much lower level of funding for particular ongoing programs than would have otherwise been made available.

This is the first year Congress has made its first budget resolution binding upon Committees, and the first year the Budget Committee has been given such broad authority to direct cuts in particular programs.

In previous years, spending discrepancies had been resolved in the second budget resolution, which sets final budget targets much later in the year, and individual program levels rested solely in the domain of the authorizing and appropriations committees.

Along with many other representatives, I went to bat against "frontend" reconciliation at every step of the way. But we were defeated by an overwhelming roster of defenders in Congress.

To my deepest regret, the chief casualties of this mandatory reconciliation in the area of education are the child nutrition programs.

It is no wonder, then, that many supporters of education funding are convinced that Congress has turned topsy-turvy, and are willing to concede this year's Federal education budget and hope for better next year.

In my opinion, such an attitude, down-to-earth as it may seem, will work to your detriment.

The budget game might be lost, but the season is not over. A lengthy series with appropriations must still be played.

I say this because even in this year of surprises, some political truisms endure; many of the old rules still hold good.

First, balanced budget or no balanced budget, the Appropriations Committees must, as always, decide how to divide up the pie. For all its rigor, the new budget still has room for increases in some programs, freezes in many, and cuts in several. How these chips fall will be crucial to education.

Second, the fact remains that the Appropriations Committees need not act precisely as the Administration or the Budget Committees wish they would.

I suspect the Appropriations Committees will jealously guard their authority to determine funding levels for individual programs, especially in light of the Budget Committees' efforts to leave them very little else.

In comparison with the influence the budget resolution has stripped from the authorizing committees, this remains an important power. I feel sure the members of Appropriations will exercise it to their best judgment.

Third, politics still dictate that those constituencies who are perceived as being weakest are often targeted for cuts.

Now, as ever, those programs which emerge unscathed are those that are well-insulated by statute, or those whose supporters can stir up feelings of urgent need or political sanctity.

It is interesting to note that in the midst of all these unprecedented budget developments, the arguments have often come down to the same old cliché of "guns versus butter."

My point is that despite recent events, the rules of the game have not changed so drastically that educators cannot have an impact on the final score.

But you will have to rally as never before. If you don't, legislators may peg education as a soft spot in the budget, and take that as a signal to cut not only this year, but possibly for many years to come.

In my view, adequate funding for education programs can be achieved if educators are firm in their support but realistic in their expectations.

This is not the year to push for a 50 percent increase in hope of getting 25 percent, unless you want to be summarily dismissed.

Rather, the emphasis this year is on "savings." Educators would be well-advised to frame their arguments in these terms, perhaps by pointing out how expenditures for education save social welfare costs or how reductions in Federal education support would affect local taxpayers.

Undoubtedly, the economic recession will play a major role in the final budget shake-down. Here again, educators would be wise to emphasize the economic benefits of investing in education, such as increased employment. These counter-inflationary characteristics of education will take on increasing importance if a deep recession upsets the budget balance and a congressional brawl breaks out over how to reconstruct it.

Most importantly, educators must work as a team, regardless of their individual program preferences. Divisiveness could destroy your momentum.

In my opinion, it is never smart for educators to suggest which education programs can be sacrificed. Legislators might take your advice, and you could alienate potential allies.

Unity is more crucial this year, since outside support may be hard to come by. Supporters of other domestic programs are busy with their own battles. And the concern throughout the country about deficit spending has made it politically difficult for legislators, even those friendly to education, to be in favor of increases.

In summary, this year's funding fight has been characterized by unpredictability and confusion. Everyone is feeling his or her way through new rules and restrictions, and no one really knows what the impact of this new severity will be or how long it will last.

However, much of the budget and appropriations process will continue as usual.

Supporters of education funding must not allow themselves to be overwhelmed by what they cannot change and lose sight of what they can.

And, as always, we must never lose sight of the fact that our whole reason for being is to help prepare the youth and adults of this country for the future. If we don't fight to keep this purpose an important one, we will allow short-sighted "economies" to doom the country to a limited future.

So fight we must. ●

NICARAGUA'S NEIGHBORS CONTINUE TO EXPRESS FEAR OVER THE COURSE OF THE REVOLUTION

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BAUMAN. Mr. Speaker, on July 19 the Sandinistas celebrated the first anniversary of the overthrow of Anastasio Somoza in Nicaragua. There is no doubt that Somoza was a controversial figure, and many Nicaraguan's joined in the celebration of his departure. The Sandinista leaders, on the other hand, tried to turn the festivities into a show of support for their leftist policies, and invited Marxist dignitaries from around the world to join in their effort. The result was a sad spectacle, as hundreds of thousands of Nicaraguans cheered their departure from

the past while the Sandinistas edged them steadily toward a far more terrifying future.

It was interesting to note, as the celebrations went on, the opinions expressed by Nicaragua's neighbors about the way they see the country going. I have already shared with my colleagues the commentaries made by the press in Panama, a country which provided men and weapons to the Sandinistas. Now, I would like to have my colleagues see what another friend of Nicaragua, Costa Rica, had to say about the July 19 activities. As Central American observers may recall, Costa Rica provided sanctuary and training sites for the Sandinista guerrillas during their war with Somoza.

I think this makes for some interesting reading. The article follows:

[From La Nacion, San Jose, Costa Rica]

Nicaragua: The "Comandantes" Betrayal

The festivities to celebrate the first anniversary of the Nicaraguan struggle provided a spectacle of total surrender of the Revolution to the Cubans. Fidel Castro not only commanded the center stage but his advisors and security personnel controlled all: the program schedule; the security measures throughout Managua; the designation of orators; the preparations in the Plaza 19th of July; the style and arrangements for the parades and the content of the speeches by the Sandinista "comandantes." Nothing escaped the control of the Cubans. Managua was literally taken over by them, to decide how the first anniversary of the Revolution would be celebrated, as though it were taking place in Havana.

Like a viceroy, Fidel Castro set foot in the Latin American hemisphere to symbolize his Bolivarian dream of its conquest on behalf of the Soviet Union, liberating it from Yankee imperialism. During two days, the "comandantes" did nothing except stare at the father and owner of the Revolution with nitwitted and irritating unconditionality. In this first year of the Sandinista government, the veils have been drawn aside and beneath the sheepskin of a pseudo-pluralistic junta, the ears of the wolf have protruded.

Eyewitnesses to the celebrations, known friends of the Sandinista national liberation cause, who believed in the sincerity and good faith of the "comandantes," came away consternated. What the Latin American democracies had done on behalf of the liberation of the Nicaraguan people; the enormous help given by the Andean countries of Venezuela and Panama and the open-arm support of Costa Rica for the Sandinista insurrection, to the point of turning our land into a sanctuary for them, was forgotten in the delirious torrent of enthusiasm and veneration which the military comandantes and their organizations of the masses tributed to the most farcical of Caribbean dictators, whose one great historical feat has been to convert his people into the mercenaries of the Soviet Union.

Nicaragua is one step away from becoming a Marxist-Leninist state. The "comandantes" deceived all the world, all the international forums, and all the friendly governments, but the day came when this deception could no longer be maintained. Castro's lieutenant, the small-time dictator from Grenada, revealed without inhibitions in his diatribe of last Saturday, given from the grandstand in the Plaza 19th of July, the ambitious short-term plans which are already in effect to install Marxist-Leninism in the Caribbean and Central America.

Those who were invited and who hold to democratic ideology were visibly relegated to second place. The celebration of this first year of the Sandinista victory was a festival of "comrades." The days of precarious pluralism, of a negotiated mixed economy, of a fragile and an unstable freedom of the press, are numbered. The "comandantes" know where they are going and what they want. History will have to judge whether it was wise and prudent for Costa Rica to run the risk of an unequal war with Somoza's National Guard, which have cost many lives, in order to serve as a bridge for the designs of Fidel Castro. ●

**A SALUTE TO LARRY ROBINSON,
THE DIAMOND MAN**

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. STOKES. Mr. Speaker, recently I had the pleasure of attending a program sponsored by the Harvard Business School Club of Cleveland, where Mr. Larry J. B. Robinson, Jr., was honored. Mr. Robinson, one of the most recognized and well-liked business leaders in Cleveland, was honored as the 1980 business statesman by the club. I would like to take this opportunity to familiarize my colleagues with the phenomenal activities of Mr. Robinson.

Many of us may be familiar with the radio commercials for J. B. Robinson Jewelers in which Larry J. B. Robinson, Jr. is the primary spokesperson. Mr. Speaker, Mr. Robinson is just as impressive in the boardroom as he is on the radio. As president of J. B. Robinson Jewelers, he has initiated the company's expansion from 1 store to 55. Sales have increased from \$200,000 to over \$40 million, with an annual average growth rate in excess of one third. Robinson Jewelers was sold to W. R. Grace in late 1979, a \$5 billion conglomerate, with Robinson continuing as president.

Robinson Jewelers, the Nation's fourth largest retail jewelry chain, has stores in seven States, from Illinois to Maryland. Accelerated expansion plans call for an additional 100 stores by 1984.

Robinson attributes much of his company's success to following the tenet of "giving customers what they want," by providing strong guarantees, wide selection and believable advertising. Robinson also surrounds himself with the best possible advisers.

So, Mr. Speaker, it was both inevitable and long overdue for Larry J. B. Robinson, Jr. to be awarded the 1980 business statesman award. Perhaps he summed it up best in his acceptance speech, "Robinson Jewelers is a Cleveland story: Cleveland executives, a Cleveland lawyer, a Cleveland bank and other Cleveland advisers." Mr. Speaker, the only alteration that I would make to that statement is that Robinson Jewelers in addition to a Cleveland story is a story of success. I

am sure that his associates will agree that Larry Robinson is an integral part of that success.

But, Mr. Speaker, Larry J. B. Robinson is more than just a business whiz, he is also active in civic affairs in Cleveland. He is immediate past president of the Citizens League, Greater Cleveland's 5,000-member, 83-year-old nonpartisan, good government organization. He served two terms. He also has served as president of America's oldest open forum, the City Club of Cleveland; as president of the Harvard Business School Club of Cleveland and as chairman of the Cleveland Festival of Freedom. Robinson is a director and executive committee member of the Greater Cleveland Growth Association.

Larry Robinson holds masters and doctorate degrees from the Harvard University Graduate School of Business Administration, where he served as a faculty member and was author of several publications. He currently is a member of the alumni boards of both Harvard Business School and Harvard University. This May, he also received the Ohio State University Alumni Award for outstanding public service.

Additionally, Mr. Speaker, Larry Robinson's achievements have been noted by many different organizations. Twice selected as "Ohio Businessman of the Year," Robinson has also received the Liberty Bell Award of the Cleveland Bar Association and the Albert Gallatin Award of the Zurich-American Insurance Cos., both for outstanding public service. He has also received an honorary doctorate from Lake Erie College, the 1979 "Advertising Person of the Year Award" and has been designated "Distinguished Lecturer" by Case Western University School of Management Alumni Association. He has lectured at Loyola and a number of other colleges and universities and has presented papers at two White House Conferences.

With all of his other activities, Mr. Speaker, Larry Robinson still spends considerable time with his family, consisting of his talented wife Barbara, who is president of the Cleveland ballet and their three children Lisa, John, and James.

Mr. Speaker, this last notation probably underscores best Larry Robinson's commitment to business and our future business leaders in this country. He donated the \$1,000 cash award from the 1980 business statesman award to Harvard University for research in human behavior and retailing.

In closing, Mr. Speaker, I would like to say that Mr. Robinson is not only an asset to the city of Cleveland, and to his business but also to America. For him, the American dream has come true. The best part of that dream is that through his civic affairs as well as his business and his charitable contributions, he is helping that

dream become a reality for other persons.

So, at this time, I would like my colleagues in the U.S. House of Representatives to join me in saluting Mr. Larry J. B. Robinson, Jr., of Cleveland, Ohio. ●

PAGE BELCHER

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. RHODES. Mr. Speaker, during the past recess one of our former colleagues, Page Belcher, passed away. He served in the House for nearly a quarter of a century, left his mark on many pieces of legislation, and earned warm friendships on both sides of the aisle.

Page Belcher was in every sense a working Congressman, with a great understanding of the legislative process, and a love for the district that he served. He was instrumental in shaping the major farm bills that came before the Committee on Agriculture, where he was at the time of his retirement from Congress, the ranking minority member.

It was my privilege to serve with Page during most of his tenure in the Congress, and to have his sage counsel and friendship for many years. He was a man who spoke homespun, but could hold his own in the most sophisticated circles and unravel the most involved legislative processes. He loved to go home to Oklahoma and get out among the people. He spoke often of having been out "sitting down on the wagon tongue, listening to what the people have to say." He was a good listener, an effective speaker, and a hard-working legislator, which earned him 12 terms in the House.

I share with my colleagues our sense of loss, and offer condolences to his wife Gladys, his son Page, Jr., and his daughter Mrs. Carol Williams. Those of us who knew him always will remember him fondly. He was truly a public servant, who spent his career in Congress working diligently for his district, Oklahoma, and the Nation. ●

THE STRATEGIC METALS THREAT

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. WALGREN. Mr. Speaker, recently the distinguished business editor of the Pittsburgh Press wrote a three-part series of articles on one of the most serious, yet little discussed, threats to the security of this Nation. We all know the damage done by an oil embargo, but few of us recognize how dependent the United States has

become on foreign sources of strategic metals: tin, chrome, cobalt, platinum, and manganese. As Mr. William Wylie writes: "The United States, the land of plenty, [has] become a have-not nation in strategic metals." I recommend each of these articles to every Member of Congress.

The articles follow:

SUBMARINE BLOCKADE COULD CRIPPLE U.S. INDUSTRY

(By William H. Wylie)

For the first 150 years of its existence the United States was practically self-sufficient in the materials our society needed.

Even during World War II, this country was able to keep its oil tanks filled from domestic supplies. Although imports of other raw materials were important, Nazi U-boats never were able to get the U.S. by the jugular as they did Great Britain.

There was never a time when the U.S. lacked the ability to fuel the Allied war machine, largely with domestic energy, chemicals, steel, guns, ships, tanks, clothes, food—all it takes to do battle.

E. F. Andrews, vice president-minerals and services for Allegheny Ludlum Industries Inc., was asked if that feat could be duplicated today if unfriendly forces blockaded our shores.

"Today we are totally dependent on foreign sources, principally southern Africa, for chrome, cobalt, platinum and manganese," he replied. "There isn't a major corporation in Pittsburgh that wouldn't be impacted if the supply of these metals was cut off," he added.

"We don't know how to make steel without manganese," declared Andrews, one of the nation's best known purchasing executives. And it's impossible to make stainless steel without chrome.

The U.S. chrome stockpile would last a year and a half at the most, Andrews said. Successful enemy action at sea would force the specialty steel industry to shut down sometime during that time span.

"Hitler's Third Reich failed because the Allied blockade cut off the supply of chrome," he observed. "The loss of chrome was more critical than the loss of oil."

Andrews believes the U.S. is equally vulnerable today, largely because there is no coordination of strategic materials policies at the federal level.

To make matters worse, the U.S. merchant fleet has been languishing while the Russian bloc nations have been building sea transport, he noted. "All of our tin, chrome, cobalt, platinum and manganese have to cross water to reach us," he said.

"While we import 95 percent of our nickel, much of it comes across a friendly border from Canada," he continued. The U.S. could get nickel but those other critical minerals could be cut off.

A few years ago when Andrews testified at a House hearing on the threatened chrome crisis, a congresswoman told him if stainless steel were curtailed, she could "get along without a stainless steel bed pan."

That's the trouble, Andrews said. People think stainless steel is used just to make pretty, shiny stuff, like trim on cars and refrigerators. They don't realize that these uses account for only 6 percent of the market.

Actually, without chrome it would be impossible to build jet aircraft, cars, oil refineries, computers, conventional and nuclear power plants, modern food-processing facilities and hospital operating rooms, he pointed out.

"We'd have to go back to eating pickles out of a wooden keg," he said.

The space program would have been a non-happening.

"You couldn't make a hole in steel or drill an oil well," he continued. "There wouldn't be any plastic because you couldn't crack oil. You couldn't make a gun barrel for a tank, or an armor-piercing shell, or a tank," he added.

The environmental movement would suffer without clean air scrubbers and water purification equipment. None of this anti-pollution gear can be built without specialty steels.

While he doesn't question the innovative ability of the scientific community to cope with these problems, he stresses that there are no quick answers.

The National Research Council, comprised largely of academicians, supports this view. "The council says that with today's technology, if we decided to design away from chrome, it would take as long as 15 years to substitute for it," he said.

Andrews, who for years wrote the economic forecasts for the National Purchasing Managers Association, is hardly surprised by the strategic materials pinch. He recalled the Paley report, which was commissioned in 1952 by President Truman.

"It said that 20 years or so down the road we were going to have a problem," he said. "Nobody but a few nuts like me bothered to read it, so it sat on the shelf. Well, now we have the problem," he added.

Next: How did the U.S. get into this mess?

U.S. ECONOMY'S LIFELINE ANCHORED IN SOUTHERN AFRICA

(By William H. Wylie)

How did the United States, the land of plenty, become a have-not nation in strategic metals?

Four key minerals—chrome, cobalt, platinum and manganese—have to be imported, mostly from southern Africa, because this country has none of them.

Without these vital raw materials, some essential industries—steel, aerospace, oil, petrochemicals, defense etc.—would wind down to a standstill.

The U.S. didn't exactly run out of these strategic metals. Over the years our society became much more sophisticated. Exotic minerals are required to sustain a 20th Century lifestyle that is much more demanding. Industry has been forced to seek them out in the four corners of the world.

The old standbys—iron, coal and wood—that got us through the 18th and 19th centuries no longer were adequate. As the automobile replaced the horse and buggy, jetliners filled the skies and computers emerged, demand for high-alloy metals grew.

Whether Americans realized it or not, chrome, cobalt, platinum, manganese and other strategic materials began to play an important role in their lives.

"If you wanted cobalt, you bought it in Brussels," E. F. Andrews, vice president-minerals and services for Allegheny Ludlum Industries, said. "The cobalt was in a place called the Belgian Congo."

"If you wanted chrome, you went to London and bought it," he continued. Most of the world's supply of this vital material is in southern Africa (Rhodesia and South Africa)—an area Andrews calls "the Persian Gulf of metals."

Chrome deposits also are found in Russia, Turkey and a handful of other nations. But Rhodesia by far has the most—a 700-year supply—and until a few years ago, the British had a lock on it.

But as the Third World emerged from the

decolonization trend of the '60s, the map of Africa got a new set of names. The Belgian Congo became Zaire. Angola, Zambia, Botswana, Namibia and Tanzania gave the Dark Continent new character. More recently, Rhodesia evolved as Zimbabwe and a black regime replaced the white-dominated government.

Along with the new names came a new set of political philosophies, Andrews pointed out. Some countries are friendly to the U.S., others are either Communist or leaning that way because the Russians are hard at work in the area, even to the point of providing Cuban troops.

The delicate political balance of these fledgling nations is made all the more precarious by their financial instability.

At best, the new African states are cautious and distrustful of dealing with the U.S. At worst, they're under the Russian spell.

Mutual feelings of anxiety often snag these relationships, Andrews noted.

"They're afraid of being taken and so are we," he said. Exploitation is the main fear of the Africans while the threat of nationalization haunts American investors. As a result, valuable mineral reserves often remain in the ground instead of being developed.

Interests of the new Third World states often differ from those of the super powers, Andrews said. Unfortunately, the U.S. government hasn't always acted as if it understands African motives.

This is not surprising, considering Africa has never been recognized by the State Department as a prize assignment. Rather, it has been a "burial ground" for diplomats who have fallen out of favor. A stronger diplomatic effort would have made more friends for the U.S. in an area that is critical to American industry.

Ironically, at a time when sources of supply were becoming unstable, changes were occurring in the U.S. that increased demand for strategic metals.

"In the late '60s and early '70s we passed laws that mandated a 25 percent increase in the use of chrome," Andrews observed. The legislation led to installation of catalytic converters on U.S.-made cars, forced coal-fired power plants to clean up their act and tackled water pollution and a host of other problems as the environmental movement shifted from theory to hardware.

Of course, the U.S. is not unique in doing these things. Environmental reformers are at work in all the leading industrial nations of the Free World. As standards of living are upgraded abroad, the pressure intensifies to develop sources of strategic metals.

Every industrial nation needs chrome, cobalt, magnesium, platinum and all of the other exotic minerals that make the world go round today. If this country is to grow and prosper, it will have to keep its supply lines open to southern Africa and other raw materials sources.

Next: Some national planning is needed.

NATIONAL PLANNING URGED TO SAFEGUARD INDUSTRY

(By William H. Wylie)

The "Japanese miracle" is one of the economic wonders of the post-World War II era.

It has made Japan the world's leading exporter. Japanese products, ranging from cars and cameras to steel, are big sellers in nations throughout the Western World.

Yet Japan is a "have-not" country whose raw materials deficiencies are far greater than those of its big trading partner, the United States. Japan lacks even the basics of an industrial economy, like iron and coal, while the U.S. is well endowed with both.

Japan imports all of its oil, while the U.S. produces more than half of the petroleum it uses.

It's in the area of strategic materials, like chrome, cobalt, magnesium and platinum, that Japan and the U.S. have a common problem. Both are have-nots.

However, the Japanese very carefully manage their strategic materials, making sure the supply lines are kept open, that political and domestic policies do not interrupt the flow.

Through the Ministry of International Trade and Industry, the Japanese economy enjoys a degree of planning and monitoring that eliminates wasted effort and assures a high rate of productivity. Although Japan does not have a planned economy in the socialist sense, MITI keeps a firm hand on the steering wheel and the throttle.

The concept of economic planning has never been popular with American industrialists. But increasingly they are looking to Washington for guidance on crucial issues, such as energy and strategic materials. Unfortunately, response from the government has fallen short of what is needed at this point.

"The U.S. has no economic planning," E. F. Andrews, vice president—minerals and services for Allegheny Ludlum Industries Inc., observed. "It's a matter of thinking ahead, anticipating your environment," he continued.

"The Japanese do it all the time," he said. Andrews favors establishment of a national materials policy board—a central agency that would function something like the Federal Reserve Board.

The Fed makes policies that govern the supply of money, he noted. A materials policy board would act to protect the supply of strategic minerals and other commodities essential to industry, he said.

While he doesn't favor controls over commodities, he would like to see priorities established to insure adequate supplies.

"Its first responsibility would be national security," he added.

"The Rhodesian embargo in the late 1960's spotlighted the chrome crisis," Andrews said. The U.S. cut off its major supply of chrome at a time when environmental legislation mandated a 25 percent increase in use of stainless steel, which cannot be made without chrome, he recalled.

A watchdog agency like a national materials policy board could play a key role at such times, he feels.

Andrews cited the cobalt shortage as a classic case of mismanaging a strategic material. He explained:

"For 10 years one-third of the cobalt used in the U.S. was supplied by the national stockpile. We worked down the stockpile without developing new resources. Suddenly it was realized that we didn't have enough cobalt and we started buying heavily overseas.

"As a result, in one year the price of cobalt soared from \$4 to \$50 a pound."

Sometimes national priorities get in each other's way. Although the U.S. has to import cobalt, some deposits of the strategic material have been discovered in Idaho. Unfortunately, it's on federal land set aside to preserve big horn sheep and can't be mined, Andrews said.

On another subject, he belabored the export of stainless steel scrap. "We are the only nation in the world that does this," he said. It's too valuable a commodity to let get out of the country, he feels.

Titanium production capacity has suffered from Washington's fickleness on aerospace programs. Build the B-1 Bomber, or not? The same uncertainties plagued the Supersonic Transport before it was killed by Congress. Each project would have required lots of titanium.

"There's really no titanium shortage," Andrews said, "just a shortage of production capacity. Rutile (the key raw material) is found everywhere. It's production capacity fluctuations that hurt. Now titanium appears to be the metal of choice." Domestic producers will be able to meet the demand, he feels.

Lawrence Monberg Jr., a Fort Lauderdale, Fla., securities executive who follows metal stocks, believes "the next OPEC-type crisis to hit this country will come in strategic metals." He became aware of the raw materials shortage while researching metals stocks. Alarmed at what he found, he has been spreading the word at stock broker meetings and through newspaper interviews.

He thinks the U.S. must cultivate its already friendly ties with Australia because the "land down under" is loaded with strategic materials.

Andrews agrees that some strategic metals might be cartelled, but not all. "It would have to be a product the world cannot do without," he said. "Chrome, cobalt, manganese and platinum qualify in that respect," he added.

Also, the cartelling country has to be financially sound, he continued. "South Africa is but Zaire isn't. Cobalt is Zaire's cash crop; they have to sell it so it probably couldn't be cartelled."

But chrome is another story, he said. Rhodesia and South Africa have most of the world's chrome but it doesn't number among their leading exports. Chrome probably could be cartelled, he feels.

Unstable Third World governments, the ever-present Russian threat, U.S. deficiency and the growing demands of our sophisticated economy—those are the factors that suggest a national strategic metals policy is an idea whose time has come. ●

A TRIBUTE TO THE HONORABLE HAROLD RUNNELS

HON. MARVIN LEATH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. LEATH of Texas. Mr. Speaker, on August 5, 1980, this Congress lost a great statesman, and I lost a dear friend. I didn't know Harold Runnels prior to coming to the Congress in January of 1979, but it didn't take long to meet him. His gentle wit, his ever-present smile, and his outgoing personality made Harold a man respected by all of his colleagues, regardless of their political differences or party.

Harold Runnels was the epitome of the American dream, and his courage exemplified the greatness of our heritage. Harold was living proof that the American system works, and that all it takes to achieve is the desire and determination to do so. He used the free enterprise system to rise from poverty to a man of great resources. Having gained that success in business, he was eager to return something to his Nation and determined to preserve that which he loved—an America strong in individual freedom and a beacon for all men who aspire for a better life.

Harold served the people of New Mexico with distinction and respect. He served his Nation with a patriotic

zeal unequalled; and he served his fellow man with honor and dignity. This Nation is better because Harold Runnels passed through it, and our lives are more complete because Harold Runnels touched us.

May God comfort us for our great loss, and may we thank Him daily for giving us Harold Runnels for a brief moment. We loved him dearly, and we will miss him sorely. ●

A TV STATION FOR NEW JERSEY

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. MAGUIRE. Mr. Speaker, the July 1980 Jersey Business Review contains an excellent article describing a situation unique to New Jersey and Delaware about which most Members are unaware. Our two States are the only States in the Union which do not have any VHF television assignment.

This anomaly astonishes Members from other States when they learn about it and invariably I find they wish to do what they can to help. As is immediately apparent, and as the author, Mr. Dean A. Brianik points out, the absence of VHF television has grave economic and political ramifications for our States.

Let us take New Jersey. The citizens in the northern part of the State are better able to recognize Mayor Koch of New York City and the political issues facing local legislators in Albany than they are able to identify their own local political leaders and State officials. They are deprived, for the most part, of local advertising and public affairs programming that is targeted to their own needs. The citizens in southern New Jersey suffer the same fate at the hands of the Philadelphia television programmers. New Jersey's businessmen and businesswomen and all of our citizens who want to participate fully in the democratic process are cheated by this situation and it simply must, after all these years, be addressed.

As Mr. Brianik notes, Members of the New Jersey delegation are working tirelessly to rectify New Jersey's television problem in two arenas. Since the 95th Congress, I have introduced legislation which would require the FCC to reallocate a frequency to New Jersey and to Delaware. Such a bill would be in the form of an amendment to the Communications Act of 1934.

Our colleagues in the Senate, HARRISON WILLIAMS and BILL BRADLEY, are working administratively and have filed a petition for a rulemaking by the Commission which would have a similar effect in reallocating a VHF frequency.

This is a battle for fairness in allocating TV licenses which is going to continue until we succeed one way or

another. I intend to offer a version of my bill as an amendment to legislation pending before the Commerce Committee affecting license renewals. Senators BRADLEY and WILLIAMS are in the midst of filing additional comments in their proceeding before the Commission. New Jersey, specifically, and all States, ultimately, are entitled to service and coverage by a television station they can call their own. New Jersey must not continue to be a media stepchild of the Philadelphia and New York City markets.

[The article follows.]

GARDEN STATE TV: THE BATTLE CONTINUES

(By Dean A. Brianik)

New Jersey now has the opportunity to obtain its first VHF commercial TV station since WNTA (Channel 13) folded in the early 1960's. But serious questions remain about whether the state will reap enough benefits to justify the long struggle spent with the Federal Communication Commission (FCC) and the networks to achieve this goal.

On June 4, the FCC stripped the licenses of three RKO television stations, including WOR-TV of New York. Besides setting off a tidal wave of reaction in the broadcasting industry, the FCC action opened up Channel 9 to applicants interested in obtaining an operating license for that frequency—particularly in this state, where the New Jersey Coalition for Fair Broadcasting has been battling to obtain a VHF television station.

The Coalition's executive director Marsha Stern says, "the chances are excellent just excellent, that New Jersey will finally get its own television station," adding it would be "an absolute travesty" if the license were not assigned to a New Jersey community.

Less than a week before the stripping of WOR's license, New Jersey's two Senators, Harrison Williams and Bill Bradley, filed a petition with the FCC, asking the Commission to re-allocate Channel 9 to New Jersey.

Furthermore, legislation has been filed in Congress to amend the Communications Act of 1934, so that each State will be guaranteed at least one VHF commercial television station.

The WOR controversy and the stripping of the station's license has given new hope to the Coalition, which has been trying to obtain a commercial VHF outlet in the state since 1972. They feel the FCC now has the opportunity to license a New Jersey VHF station, without harming the financial interests of other stations located in New York City or Philadelphia.

Jay Ricks, one of the lawyers who drafted the Bradley-Williams petition, summed up the FCC's dilemma: "Although the FCC has never acknowledged this, we believe its reluctance to reassign a station to New Jersey is a reflection of its unwillingness to take away the investment of a licensee." And with this barrier gone, the petition states, no such concern now exists.

The Bradley-Williams petition, if successful, would have the FCC reassign Channel 9 to New Jersey, although a decision concerning which community in the state would get the license would be made at a future date. A successful reassignment petition would also prevent the Channel 9 station's new owners from making plans to operate as a New York City licensee.

The effort to bring VHF commercial television to New Jersey, has focused most attention on the harm the state's political process has suffered by the token news coverage offered by N.Y.-based stations and

their "Jersey bureaus." New Jersey residents have been forced to rely on these out-of-state stations for local news which according to an Eagleton Institute Survey, has left viewers ignorant about state politics, while comparatively familiar with those in New York City and Philadelphia.

Considerably less attention, however, has been paid to the economic impact on the state due to the absence of a commercial VHF station.

The situation, Daniel M. Gaby, president of Keyes, Martin & Company—New Jersey's largest advertising agency—once told a congressional committee, "has stunted the growth of hundreds of New Jersey companies, reduced job opportunities, and withered tax revenues." And, others argue, has been a barrier to economic expansion in the state.

In addition, companies now located in New Jersey are often unable to advertise on either New York City or Philadelphia television stations, putting them at a competitive disadvantage with out-of-state companies.

The problem in this instance is one of economics. New York and Philadelphia are the first and fourth largest television markets in the country. Consequently, their advertising rates are also among the highest. But New Jersey comprises only 30 percent of the New York City market audience. As a result, New Jersey companies seeking to advertise on New York City stations must be prepared to spend up to 70 percent of their advertising budgets to reach viewers who may never use their products.

A businessman, in Gaby's words, faces "the Hobson's Choice of either wasting 70 percent of his advertising investment; or forgoing the most powerful and effective advertising medium in the history of mankind."

News coverage given to New Jersey by New York and Philadelphia television stations also has the ability to damage the state's economy. "There are too many misunderstandings concerning New Jersey which place the state in a peculiar position when seen by the rest of the country," complains John Bachalis, president of the New Jersey Business and Industry Association.

Bachalis, who believes "the importance of television is not to impress the business community, but to impress the public and generate understanding of business's problems," also feels out-of-state stations may be slow to understand the economic impact of stories about New Jersey.

For example, he cites a proposal made during the Federal government's Conrail reorganization program that would have eliminated service on a South Jersey freight line that carried sand through the Pine Barrens. On the surface, such a proposal might seem reasonable, especially when it was learned the line was a money-loser. But Bachalis notes the line provided the sand needed to sustain the region's glass manufacturing industry and that a service cutoff would have imperiled "thousands of jobs." The proposal was eventually rejected, but Bachalis says he still believes a New Jersey based commercial station, had one existed, could have made the public more aware of just how seriously the state's economy might have been hurt by the proposal.

Arthur Cox, public relations director for the New Jersey State Chamber of Commerce, contends the situation has given the state no way of interpreting itself to the rest of the country. "We are underinterpreted to the rest of the nation," he notes, "and we would like to see a station that can put our real story to the public in the rest of the country."

Congressman Andrew Maguire (D-Bergen), a leader in the fight to bring a

commercial "V" to New Jersey, notes that a reliance on out-of-state television news departments for coverage means major cultural events in the state will go unreported. In testimony before Congress in 1978, Maguire referred to a complaint from the Greater Newark Chamber of Commerce that New York television news crews failed to cover the reopening of the city's opera house, an event that was attended by internationally known opera stars and many of the state's prominent politicians. But according to the testimony, the Chamber noted several weeks later, the New York City TV news crews were there "in abundance" to cover a major fire.

Cox believes a New Jersey-based television station would provide the country with the opportunity to view the state in a different light than what is now shown and omitted on the New York City and Philadelphia stations. "What a home-based television station can do in New Jersey is to create an understanding of the life of the state, because it's important to families who might move here . . . There's no question it will help New Jersey be looked upon more favorably as a place companies will want to look at."

Cox thinks New Jersey can sell itself to industry on matters of bottom line importance such as transportation and tax packages. But the lack of a VHF station, he believes, causes many companies not to even consider New Jersey as a place for expansion, despite the advantages the state offers to industry.

Most business leaders are in agreement the state would make, an excellent market for advertisers. Robert O'Brien, acting financial director for an ad hoc group of New Jersey businessmen seeking to obtain the license lost by WOR, contends there are potentially thousands of companies that would advertise on a New Jersey station.

Speaking from a banker's perspective, O'Brien—who is president of Carteret Savings and Loan and a former member of the Coalition's board—notes only one bank from New Jersey advertises on New York television although there are 220 savings and loans, 20 savings banks, and "score of commercial banks". According to O'Brien, Midlantic Bank officials admit advertising in New York City has "been a very expensive exercise for them, but they feel it's been worth it".

Keyes, Martin's Gaby says the answer to questions about whether a New Jersey commercial television station based in Freehold could be a commercial success is an unequivocal yes . . . It would be able to offer the potential advertiser a price and a cost-per-viewer that would be highly competitive with other forms of media that might be available to the advertisers.

"That station," Gaby concludes, "would be able to offer an advertiser a large audience, a highly-qualified audience with a high level of education. Therefore it would be an attractive buy to local advertisers and retailers, and to national advertisers."

In theory, then, reassigning Channel 9 to a New Jersey community should be the answer to a prayer. In reality, while such a move by the FCC might settle the issue as far as it was concerned, there are doubts about how much can be gained for New Jersey businessmen if the channel is reallocated to the state.

First of all, despite the FCC's decision to strip WOR's license, there is no guarantee the Commission will decide in favor of the Williams-Bradley petition. Dan Gaby believes the petition has less than a 50-50 chance of success.

"The broadcasting industry is enormously powerful in Washington and they have fought this thing successfully against ef-

forts by governors, congressmen, and mayors. I'm just not terribly optimistic about their succeeding in this situation," he says.

And, even if Bradley-Williams succeeds in having the FCC transfer Channel 9 to New Jersey, it's not expected the Commission will act on the matter for a year at least. At that time, a successful petition will mean only that Channel 9 itself will be transferred to New Jersey; who will operate the channel will still have to be decided, a process that could take years.

Secondly, in June, the FCC was asked by Multi-State—the company that first challenged WOR's license back in 1972—to grant the firm a construction permit. Granting a construction permit to Multi-State, notes Jay Ricks, "would indicate a lack of enthusiasm for New Jersey's arguments concerning reassignment". As a practical matter, giving the construction permit to the New York City-based Multi-State would be a signal the Bradley-Williams petition has lost, although at this time, Ricks says he has no way of knowing how the FCC will rule on Multi-State's request.

A third factor arises out of a condition in the petition itself. A fundamental premise of the Bradley-Williams petition is that the transmitter for Channel 9 will remain in New York City, "so that Long Island and Connecticut residents who now receive Channel 9 would continue to do so".

The provision was installed because in 1976, the Coalition for Fair Broadcasting has proposed the re-assignment of Channel 7 (WABC) to Freehold, in Monmouth County. One of the arguments used by the commission in rejecting the request was that shifting Channel 7 to Freehold would deprive Long Island and Connecticut residents of services they received from the station.

This concession, though, poses some problems for potential New Jersey based advertisers and their clients. The Channel 9 New Jersey station envisioned by the Bradley-Williams petition will, by necessity, be able to cover only the northern part of the state, and it is generally agreed such a station would have limited benefits for South Jersey businesses.

Ricks characterizes the Bradley-Williams proposal as a beginning for VHF-TV in New Jersey and that reallocating the channel will not be able to meet the needs of the southern part of the state. Ricks' feelings are echoed by the Chamber's Art Cox, while Keyes, Martin's Gaby says flatly, "If the Bradley-Williams petition keeps the transmitter in New York, obviously their problem in South Jersey has not been addressed at all."

The petition does have its defenders. A spokesman for South Jersey Representative James Florio (D-Camden) says the Congressman supports the petition, adding Florio feels it is more important to get a New Jersey VHF station than to debate whether such a station will be able to service the entire state.

O'Brien says while north and south Jersey do have differing interests and concerns, he believes the new owners of a New Jersey-based Channel 9 will try to unify the entire state. He adds a study is underway to determine the feasibility of setting up a relay station in New Brunswick that would pick up Channel 9's signals from New York City and beam them into South Jersey.

The fact that Channel 9's transmitter will stay in New York City gives Gaby another reason to believe the Bradley-Williams petition will not have much effect on New Jersey businesses. Gaby contends the major benefit of re-allocation will be an increase in

news and public affairs programming devoted to New Jersey.

New Jersey viewers currently comprise 30 percent of the New York City market. Under the Bradley-Williams petition, keeping the transmitter in New York City will still insure that Channel 9's signal will reach viewers of Long Island and Connecticut.

The question, then, is whether enough New Jersey viewers can be added to a re-assigned Channel 9 to make it a viable medium for New Jersey companies to advertise on. Dan Gaby says the answer to that question is no. He concedes a large number of New Jerseyans would tune in for the station's news and public affairs programs, thus providing New Jersey businesses with opportunities to reach a primarily New Jersey audience.

But, he adds, "setting aside that portion of the day, you're not changing anything. To the extent it was unattainable and undesirable to New Jersey advertisers, it continues to be. If you don't change the signal area, you're not making a significant change. That's the reality. I don't think New Jersey should settle for it."

O'Brien concedes New Jersey viewers would still be in a minority on a re-assigned channel 9 TV station, but he believes despite this problem, New Jersey businesses will still advertise on the station, because it represents an improvement over having no New Jersey station at all on which to advertise. He also believes a New Jersey station will attract some out of state residents into the Garden State to do business.

New Jersey officials are hopeful the FCC's revocation of WOR's license and the Bradley-Williams reallocation petition may finally pave the way for the return of commercial VHF television to the state.

They believe WOR's legal problems provide the FCC with the opportunity to remove a political albatross, while at the same time limiting the financial uncertainties brought to New York City and Philadelphia TV stations by the Coalition for Fair Broadcasting's efforts to obtain a VHF station for the state.

If Bradley-Williams is accepted, the first step toward New Jersey's VHF-TV rebirth will have occurred. Actual programming from a New Jersey licensee would still be years away, though, and there are some who doubt the FCC has the power to re-assign Channel 9 before the legal proceedings regarding RKO are complete.

If this view proves correct, New Jersey's wait for VHF-TV will be even longer. Multi-State began its challenge to WOR in 1972, and it still has no guarantee of being the next operator of Channel 9. Meanwhile, the file concerning the FCC's relations with RKO's Los Angeles TV station is 15 years old.

Arnold Zucker, executive director of the New Jersey Broadcasters Association, contends the courts will first have to resolve the legal issues raised by the FCC's revoking RKO's television licenses, before the Commission can look at whether to re-assign Channel 9 to New Jersey. He believes it will be three to four years before the Commission will even rule on Bradley-Williams, and adds, "You and I will have gray hairs before Channel 9 is ever moved, reallocated to New Jersey, or even assigned to another New York City owner."

At any rate, a commercial VHF television station licensed to a New Jersey community will provide economic benefits to the state in addition to the political benefits that are constantly discussed. New Jersey would gain an outlet to freely present itself to the rest of the country highlighting the state's social, cultural, and recreational life, and

thus making the state more attractive to business, or at least helping to increase awareness New Jersey is not just a turnpike connecting New York City and Delaware.

However, there remains the possibility that re-allocating Channel 9 to New Jersey will not solve the underlying problems that have kept New Jersey businesses off New York City and Philadelphia market television screens. A New Jersey station transmitting from either the Empire State Building or the World Trade Center will still reach the same basic audience previously served by WOR.

New Jersey residents, except for newscasts and public affairs programming, will still be a minority audience on a station with a primary duty to serve the Garden State. Under such a situation, businesses within the state will still face a "Hobson's Choice" of spending over half their advertising dollars on non-essential audiences or forgetting about a New Jersey television station as an advertising medium.

Finally, a Channel 9 transmitter based in New York City will be only able to cover the northern part of the state, thus providing considerably fewer benefits to businessmen in South Jersey. There are no current situations similar to WOR-TV in the Philadelphia market and it is quite possible South Jersey may be without a television station of its own for many years to come, despite the needs and concerns that distinguish it from the northern half of the state.

The revocation of WOR's license provided New Jersey with a rare opportunity to obtain the VHF station it has so long sought, at a minimum of discomfort to New York City and Philadelphia stations. The question that needs to be asked is will the struggle have been worth it if re-allocating Channel 9 still fails to provide New Jersey businessmen with a place of their own to advertise. ●

TRIBUTE TO JOSEPH YOUNG

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mrs. SPELLMAN. Mr. Speaker, one of the best friends the civil servant ever had retired last week. After 32 years as Federal columnist for the Washington Star, Joseph decided to give up the daily newspaper grind Thursday, July 31, for a more leisurely pace. Of the many tributes that will be paid to this able and respected reporter, none is more significant than the one that appeared in the Washington Post a few days before Joe wrote his last column. It came from Mike Causey, author of the Post's Federal Diary and Joe's chief competitor.

Mr. Speaker, I wish to enter Mike Causey's column in the CONGRESSIONAL RECORD at this point. I also wish to associate myself wholeheartedly with his remarks.

GETTING THE SCOOP ON JOSEPH YOUNG (By Mike Causey)

This is the kind of news you hate to write. This time, for sure, I get to scoop archival Joseph Young of The Washington Star on a major story. And I'm hating every minute of it. This is the bad news:

After cranking out more than 7,000 columns—some of them masterpieces under fire—and lots of front page stories, Joe is calling it quits. He will retire effective Thursday.

Joe's departure from the federal beat is the end of an era spanning three decades, and thousands of big, and little, stories.

Joe, an old Chicago hand, joined the old Evening Star in 1942. He covered the government for a few years then took over the Federal Spotlight column in 1948.

For 32 years, rain, shine, good times and bad, Joe has probed the complicated world of the bureaucracy. He explained—in English, yet—the who, what, when, where and why of big events and little ones. He covered the day-to-day working conditions, and the careers of a lot of people in that time. He earned millions of readers, from clerks to cabinet officers and newspaper reporters who tried to do what Joe does so well.

To the public Joe was more reporter than columnist, more fact than opinion. He helped write the record, from Roosevelt to Carter, and managed to keep a lot of high officials nervous, and honest, with his spotlight.

President Eisenhower cancelled a staff plan that could have wrecked the merit system when Joe broke the story, and Congress got into the act. Lyndon Johnson sought to plug leaks that appeared in Joe's column about plans LBJ had for politicizing top federal jobs. Richard Nixon once asked his news staff to find out "how he (Young) finds out these things."

Joe foretold strikes in government back when that was considered science fiction, and he predicted the four-day week long before Uncle Sam decided to experiment with it. There isn't enough room here to begin to go over what he did.

It is hard to write the federal column in a federal town without making enemies. Even so, Joe's enemies could probably all fit into a telephone booth. Well, maybe two. But this town isn't big enough to hold all the friends, and admirers he made.

Joe could make sense out of a press conference that was jibberish to the attendees, and sometimes even to the people who called the press conference. If there is such a thing as a nose for news, Joe owns one of the best.

Never an Olympic class athlete, Joe could move very fast when necessary. At deadline time Joe could emerge from a room, fake the opposition like a good football running back, and be in the lone telephone booth dictating while his competitors were still fishing for dimes.

The private Joe is even better than Joseph Young the columnist. He acted as father-confessor and teacher to a long-line of reporters trying to understand the federal fudge factory. He didn't have to go out of his way to help the youngsters, but he usually did. Some of the names you may recognize: Like Pulitzer Prize winner Haynes Johnson and Carl Bernstein, to name a couple.

Tom Scanlan, editor of The Federal Times, said Joe served the public well because "he recognized nonsense when some federal bigwig tried to convince him of nonsense. Joe Young is a superior reporter and a superior man."

In typical low-key fashion, Joe planned to announce his retirement quietly Thursday without fanfare. No fair.

Joe has earned a rest from the daily journalistic grind. Few readers, fans or competitors begrudge him his retirement. We just wish he would stick around another 30 years or so. ●

MIKE DOUGLAS: A LEADER IN HIS FIELD

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. HYDE. Mr. Speaker, for the past 50 years, Chicagoans like Don McNeil, Dave Garroway, and Hugh Downs have brought the best in entertainment, information, and public service to the American public. Today, another Chicagoan continues that tradition. I want to take this opportunity to salute the trailblazer of the modern talk-variety television program who for 19 years has hosted what is the longest running, continuing program of this type—Mike Douglas.

While still a resident of my Illinois district, Mike started his innovative approach to the talk-variety format television program at WGN-TV studios, which at that time were located next to Chicago's Tribune Tower. The "Mike Douglas Show" is seen today on this same station.

It is always a pleasure to acknowledge the accomplishments of any of my former or present constituents, and I know the people of my district, many of whom grew up with Mike, are delighted with his success and the prestige he brings to his hometown.

Mike's show always stresses excellence. The program, like a talking-newspaper, offers numerous helpful features for viewers with diverse interests and backgrounds. The program frequently features the most important authors and commentators, as well as well-known stars of stage, screen, and television. Commoners and kings, Presidents Ford, Nixon, and Carter, Princess Grace of Monaco, and Walter Cronkite, have rubbed elbows on the show with blue-collar workers and professionals and with leading authorities in the fields of science, medicine, education, and politics.

Through the years, Mike has also afforded the opportunity for numerous unknowns—the young and unheralded—to be heard and seen by his vast audience, thus giving them the first big break they needed to go on to bigger and better things; among them, some of the biggest names in the theatrical field.

Adding to Mike's personal appeal is his sympathy for the underprivileged, whom he has gone out of his way to assist both personally and professionally. Mike's myriad charities are taken care of in a quiet manner and in his Irish family name to avoid publicity. His reticence, however, does not bind me. He has devoted considerable time and effort on behalf of dozens of worthwhile causes such as the National Easter Seal Drive, cancer research, muscular dystrophy, medic alert, diabetes, and dozens of others.

He has been honored by hundreds of organizations including the Freedom

Foundation, Flag Day Association, the Catholic Apostolate to Radio-Television, the B'nai B'rith, and is even an honorary Italian American.

A war veteran, Mike has been cited by numerous patriotic and veterans organizations as well as many Governors and mayors.

As one of the most respected men in the television industry, he possesses several national Emmys, innumerable awards by prestigious television publications, and was singularly honored in the midseventies by the National Association of Television Programing Executives as the "Undisputed Man of the Decade in the Television Industry," the only such award ever bestowed.

His loyal, award-winning staff, including producer, Erni DiMassa, Jr., have remained with him through the years. Mike is a graduate of Proviso High School in my district, a staunch patriot, and a naval veteran of World War II. He is a devoted family man and he and his wife, Genevieve, have three daughters.

I am sure that the people of my community take pride that one of our own is a leader in his chosen field and that his television program is being seen by more people than ever before with the highest ratings in its history. We all welcome the return of our former neighbor to Chicago's WGN-TV, channel 9, and wish Mike continued success.●

CHANGING ELECTION DAY TO SUNDAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BIAGGI. Mr. Speaker, in an attempt to stimulate our Nation's extremely low voter turnout rate, I have introduced legislation, H.R. 7928, that would change the day of national elections from Tuesday to Sunday for a 6-year trial period.

Evidence clearly shows that voter turnout in Western European democracies where national elections are held on Sundays is far greater than our own. In the most recent elections held in those countries, 91 percent of the West Germans, 90 percent of the Swedes, 88 percent of the Italians, and 87 percent of the French voted.

This contrasts sharply with our own disappointing figures for 1976—a very heated Presidential election year—which show only 54 percent of eligible U.S. voters actually participated. Based on voting age population, the State of Minnesota had the highest turnout with only 71.6 percent, while the District of Columbia was at the other extreme with a dismal 32.8-percent turnout. My home State of New York—with the second highest number of electoral votes—had a

below average turnout of only 50.6 percent.

In the 1978 non-Presidential election, the national figures were far worse, with only 34 percent of the eligible voting.

Due to this increasing lack of voter participation, our democratic society is facing a serious challenge by well-organized extremist and special interest groups. Victories in congressional primaries earlier this year by avowed members of the Ku Klux Klan and the American Nazi Party are prime examples of this dangerous threat.

The only solution to this critical problem is to take prompt and effective measures aimed at getting American voters to express their true will at the polling place. The legislation I am introducing today seeks to help accomplish this crucial goal.

Arguments have been made that there is no one reason for low voter turnout; that there are numerous variables involved, including voter apathy, complicated voter registration procedures, and difficulty getting to the polling place—either due to transportation problems, or an inability to get off work. I concede that these arguments are justified and agree that there is no one solution to the problem. The legislation I offer today simply seeks to address one of these variables, making it easier for working Americans to get to the polling place. Changing election day from Tuesday to Sunday may not totally solve the problem of low voter turnout, but based on the large number of Americans who work during the majority of voting hours, and the success Sunday elections have had in other democracies, I am convinced this proposal will make a favorable difference.

Let me emphasize that this proposal would simply apply for a 6-year trial period beginning with the 1982 election and ending with the Presidential election of 1988. During that time, the Federal Elections Commission would monitor patterns of voter participation. Based on their analysis, the FEC would then submit a report to the President and Congress recommending appropriate actions to increase voter turnout. Special attention would be given to the success or failure of Sunday elections to stimulate voter turnout.

This legislation is also aimed at preventing west coast voter apathy that results when the media declares a Presidential election winner long before many west coast voters have gone to the polls. Under provisions of the bill, polling places throughout the country would be open during the same 9-hour period of 12 noon and 9 p.m. (e.s.t.) for the 1984 and 1988 Presidential elections. I am confident such action would result in increased participation in the Presidential election process, as well as attracting those voters who, if not for the Presidential election, would fail to partici-

pate in the State and local election process.

During the early stages of preparing this legislation, I was concerned about the impact such a proposal might have on American church life. In an attempt to address these concerns, I contacted various religious leaders throughout the Nation to obtain their views. Interestingly, the response has been favorable.

In fact, the president of the U.S. Catholic Conference, the Most Reverend John R. Quinn, wrote:

The proposal for Sunday voting is one that should receive serious study and discussion. I cannot see how it would react negatively on church obligations but might rather emphasize the moral aspects of voter responsibility for all citizens . . . Voting on Sunday, then, could be quite consistent with Catholic social ministry.

An official from the Episcopal Church Center, the Reverend Charles A. Cesaretti, responded:

The possibility of having Sunday as an election day raises no problems from a religious standpoint. Many States have already repealed their "Blue Laws" or had them declared unconstitutional. Your suggestion will cause a healthy debate and that is most welcome.

Regarding the proposal to establish voting hours on a real-time basis, an official for the United Presbyterian Church in the United States of America, Donald J. Wilson, wrote:

There would appear to be considerable merit in setting the voting hours on a real-time basis as you propose.

The President of the United Church of Christ, Avery D. Post, added:

I do want to identify positively with your suggestion that elections be held on a real-time basis.

Mr. Speaker, I will simply let the facts speak for themselves. Our Nation has seen a 62.8 percent voter turnout in the 1960 Presidential election, a 61.9 percent turnout in 1964, 60.9 percent in 1968, 55.5 percent in 1972, and 54.4 percent in 1976. We cannot allow this deterioration in our democratic process to continue. That is why I offered this legislation. That is why I urge that this proposal receive prompt consideration. I am hopeful it will invoke healthy and necessary discussions regarding possible solutions to this critical problem.●

NEWSPAPER COLUMN PINPOINTS UNITED NATIONS' FUTILITY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. COUGHLIN. Mr. Speaker, for the many of us who have criticized the United Nations for its disintegration to its present bankrupt state, the editorial comment column by Philip Geyelin in today's Washington Post is a welcome analysis.

Mr. Geyelin has dissected the U.N. and has concluded it is "an institutional outrage, a moral swamp." I could not agree with him more. The U.N. has strayed far from its original objectives and has, in fact, become an obstacle rather than a contributor to friendlier relationships among the world's countries.

For far too long, well-meaning but misguided observers in the United States have defended the U.N. and its many questionable actions and activities. The Geyelin column, in short, makes mincemeat of those arguments.

I am pleased to insert the column in the CONGRESSIONAL RECORD:

UNITED NATIONS: AN OUTRAGE

UNITED NATIONS, N.Y.—If the United Nations didn't exist, its die-hard supporters regularly insist, it would have to be invented.

Nonsense. You might want to create something utterly different for the 1980s: something a lot less pretentious, perhaps even a lot of independent institutions tightly focused, each in its own way, on the problems of poverty, hunger, economic development, war-and-peace, that are now caught in the United Nations' machinations.

But you would not overexert yourself to reinvent a bawling, sprawling global bureaucracy whose governing bodies routinely violate their own rules—an institution in which a full two-thirds of its 153 General Assembly votes represents less than 10 percent of the world population and for which a small minority of 30 practicing democracies contributes more than two-thirds of the financial support.

The United Nations, in short, is an institutional outrage, a moral swamp. It operates much of the time by the mob rule of a Third World majority in close alliance with its Communist bloc. By its rules and procedures, it reduces the superpowerful United States to rear-guard blocking actions, by Security Council veto or, as one American representative puts it, by "abstaining things to death."

Nothing would seem to better illustrate its bankruptcy as a peacemaker than the current, nearly obsessive, often-racist campaign to impose a "settlement" in the Middle East at the expense of Israel's security. Already the General Assembly, clearly abusing its power, has "ordered" Israeli withdrawal from the occupied territories of the West Bank, Gaza and Jerusalem by Nov. 15. Without even waiting for that deadline, the anti-Israel cabal launched a drive for economic sanctions. Not only is Israel isolated, but so, for all practical purposes, is its only real protector, the United States.

On this much, both American and Israeli officials agree. But when they are all through reciting the United Nations' weaknesses and liabilities, they bring you back, with a resigned but by no means desperate air, to the fact that the United Nations does, after all, exist. The question, then, is not how to reinvent it, but how to live with it. And on this point, they are astonishingly philosophical.

"This travesty damages the United Nations much more than it does Israel," says the Israeli permanent representative to the United Nations, Yehuda Z. Blum, a feisty academic whose scholarship has centered on the juridical rights and wrongs of the Arab-Israeli conflict. "The radicals and the Soviet Union have taken over this organization," he contends, adding that the West "seems to have given up."

He sees Israel as a "whipping boy" for the U.N. majority, a way of assaulting the West while avoiding a head-on confrontation with the countries that pay the bills.

He worries over the long-term effects of a campaign to "de-legitimize Israel": "After a while, you become a kind of outlaw and people can act differently against an outlaw." But he counts on American veto-power to protect Israel from the worst.

Around the corner, at the U.S. mission, Blum's American opposite number, Donald McHenry, who moved up from No. 2 to replace Andy Young, sees the U.N. preoccupation with Israel as menacing but manageable, and not necessarily a true measure of the United Nations' net worth to the United States.

"The United Nations, in one sense, is a reflection of the world we live in," McHenry argues, "and the fact is that most of the world disagrees with us on the Mideast." He and other officials do not question that the current campaign, by its own extremes, feeds extremism, not least in Israel. But the Americans contend that the Israelis, in their settlement policy and their constant reassertion of their claims to Jerusalem, have made their own contribution to the U.N.'s extremes.

The result is what one American official calls a "poisoning of the U.N. environment" by the constant raising of the Arab-Israeli conflict in every forum. In Nairobi, for example, the lowest bid on a new building for a U.N. subsidiary agency was rejected because it came from an Israeli firm. The radical Arabs have opposed Alexandria, Egypt, as headquarters for the World Health Organization because of the role played in peace-making with Israel by President Anwar Sadat. Recent international gatherings of U.N. organizations dealing with international labor and women have been torn apart by irrelevant anti-Israeli resolutions.

Yet McHenry points to the U.N.'s overwhelming condemnation of the Soviet invasion of Afghanistan as evidence that there are pluses. Another he cites is the U.N. relief program in Cambodia.

The United Nations, he thinks, still serves useful purposes: as a safety valve; a medium for negotiation when there's a mutual will; a peacekeeping instrument when the parties both want one; a place to deal, to good effect, with hijacking, a Law of the Sea, economic and energy problems, food, health and other problems where some community of interest exists.

Blum, for his part, reports he's constantly asked in Israel: Why be there? His answer comes in two parts. "Membership means belonging to the international community—for Jews, having gotten in, it would be foolhardy to give up." And: "When you've always been on the receiving end of condemnation, the United Nations offers at least a right of reply, even if you know you won't win."

The United Nations' 35-year-old dream dies hard. ●

ONE CONSTITUENT'S 7-YEAR WAIT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. GARCIA. Mr. Speaker, I think it would be safe to state that of the

206 years and the 96 sessions this great legislative body has been in existence, one of its consistent goals and solemn obligations has been to make the Government it represents more sensitive, responsive, and above all, more efficient for those who we attempt to serve—the people. None will doubt that we have come a long way from those early days in Philadelphia. * * * Well, almost none.

Just as it took John Adams 8 days to travel the 300 miles from Philadelphia to Boston in 1776, I have recently received a letter from a gentleman whose complaint to the Equal Employment Opportunity Commission has taken 7 years to acknowledge.

Though I am the first to commend Commissioner Norton for her ceaseless energy and selfless dedication in striving to make the EEOC—15 years old this year—more responsive to those it serves, I am submitting his correspondence for the RECORD. I hope that it will serve as an important commentary on how far we have come, but also how far we still have to go. Such inexcusable delays can only serve to substantiate an individual's impression of bureaucratic inefficiency, and can greatly discredit such traditionally reputable agencies as the EEOC. Let us all take a lesson from Mr. Rivera's unfortunate predicament.

The letter follows:

KINDERHOOK, N.Y.

July 18, 1980.

Mr. RAPHAEL DuBARD, Equal Opportunity Specialist, Equal Employment Opportunity Commission, Buffalo, N.Y.

DEAR Mr. DuBARD: Have received yours dated June 19, 1980 in response to mine dated April 30, 1973. Thank you.

I was 37 and hopeful, though unemployed, then. I am 45 and cynical now. Where were you? Who are you? You have on record and can see my charges (Form EEOC-5). They were and are, to the best of my knowledge, and powers of expression the facts. The charges are signed and notarized! Do you question the authenticity of the document? Do you think I made a mistake? Do you want me to withdraw the charge? Am I embarrassing someone? Do you have too many cases to handle? (Mine is seven years old. All the cells in my body have been replaced. My youngest, now seven years old, was not even born when I signed that form).

If the necessary question is, do I want you to "proceed" or start the investigation the answer is yes for another 70 years if necessary. I have children and grandchildren to worry about! That form EEOC 293 is completed and enclosed.

However, that cockamamie form—EEOC Form 314 (TEST) #76 "questionnaire" needs much more "testing". If this new form is absolutely required by law then you must inform all minority employees now to keep detailed records of job titles, ethnic and religious background of every co-employee and supervisor in their current employment. And, to keep such data for 7 to 10 years!

Justice delayed is justice denied. While you have delayed on this complaint of a N.Y.S. Agencies discriminatory action, another, the one I am currently employed with has proceeded to refine its form of discrimination by interpreting affirmative

action as the advancement of only female whites and orientals in lieu of Blacks or Hispanics—male or female. Additionally the very few professional Blacks and Hispanics within this organization have been passed over for advancement in favor of white males or females from outside the organization.

The crime of your Agencies non-enforcement of Federal law is that you have given a clear signal to State government to continue its biased practices across the board for more than seven years.

Sincerely,

MICHAEL A. RIVERA,
Equal Opportunity Victim.●

WHERE ARE WE GOING, MILITARILY?

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BOB WILSON. Mr. Speaker, Hon. Jack Maury, who resigned recently as Assistant Secretary of Defense, and who is well known as a specialist in Soviet-American relations and defense matters, has written a very well documented rebuttal to the recent Democratic Party spokesmen who have been trying to rewrite the shameful pages of recent history.

President Carter was elected on a pledge of cutting defense spending at least \$5 billion a year, which he then proceeded to do. Now, he wants us to forget that fact. Jack Maury tells it straight about Carter's perilous defense posture. I ask unanimous consent to include as a portion of my remarks Jack Maury's comments in the Washington Post of July 19, 1980.

WHERE ARE WE GOING, MILITARILY?

(By Jack Maury)

On the op-ed page recently, Clayton Fritchey warned us of a "frantic new arms race" resulting from the myth created by our militarists that the Soviet Union has achieved military superiority. In the next paragraph, he cautioned against a "futile effort to establish a superiority of our own," and concluded that there are "laws against shouting 'fire' in a crowded theater, but unfortunately there is no way of restraining panic-making shouts about our national security."

Fritchey quotes several authorities, including David Jones, chairman of the Joint Chiefs of Staff, Defense Secretary Harold Brown, and Maxwell Taylor, former JCS chairman, in support of the contention that the United States remains militarily equal or superior to the Soviet Union. But the military balance is never static. The question is not where we are but where we are going. On this, hear the recent words of those same witnesses:

Jones: "We have been living off the capital of previous investments" while in the case of the Soviets "their momentum will allow them to gain an advantage over the United States in most of the static indicators of strategic forces by the early 1980s. Moreover, because of the lead time in modern weapons programs, this progressive shift in the strategic balance will continue into the latter part of the 1980s" (FY81 Military Posture Statement).

Brown: "The 1979 Soviet military effort was about 50 percent larger than our own"

and has "a potential for strategic advantages if we fail to respond with adequate programs" (FY81 Department of Defense Annual Report).

Taylor: "... our armed forces in the aggregate are dangerously deficient in their capability to deter conflict, conduct sustained combat overseas even on a limited scale or to provide the military backing necessary to support our foreign policy, present or projected" (The Post, letters, Aug. 3).

There are other witnesses worth hearing on this subject. Gen. Edward Meyer, chief of staff of the Army, told a House subcommittee on May 29 that, except for our forward deployed forces, we have a "hollow Army." At the same hearing, Marine Commandant Robert Barrow, when asked if he considered the FY81 budget adequate, replied, "in a word, no." Speaking to the Naval War College on May 1, Adm. Thomas Hayward, chief of naval operations, reported that the Soviet Navy now has 800 first-line combatants to our 300, is building twice as many modern surface combatants and four times as many submarines as we are, and that the new Soviet ALFA class sub— with its titanium hull and phenomenal speed and depth capability—is far beyond anything we would consider reasonable or affordable. And in considering the significance of this naval balance—or imbalance—remember that the Soviet Union, unlike the United States and its Free World allies, is basically a land power, largely self-sufficient in resources and enjoying overland access to its major allies and trading partners.

Lew Allen, Air Force chief of staff, late last year expressed similar concern: "Most ominous is the unrelenting expansion of Soviet power, which has allowed them to achieve parity in strategic nuclear forces with the United States and threatens to provide military advantage to many areas of conflict."

To be sure, there are, as Fritchey contends, alarmist and hysterical voices in the defense debate, and the national interest is ill served by leading either our allies or our adversaries to conclude that our military establishment is in worse shape than it is. But the authorities I have quoted are by no means irresponsible extremists. They are respected members of an administration dedicated to cooling off rather than heating up the arms race. But they are also occupants of responsible positions in which they have had unique access to the facts and a heavy obligation in acting upon those facts.

Fritchey also invokes the judgment of former defense secretary Robert McNamara, who warns: "To the extent that military expenditure severely reduces the resources available for other essential sectors and social services—and fuels a futile reactive arms race—excessive military spending can erode security rather than enhance it."

This is the same McNamara who guided our course in Vietnam and who, in 1964, had this to say to U.S. News & World Report: "The Soviets have decided that they have lost the quantitative race and they are not seeking to engage us in that contest. It seems that there is no indication that the Soviets are seeking to develop a strategic nuclear force as large as our own."

As to the effects of military spending on our economy, of which McNamara warns, it should be kept in mind that during the Eisenhower administration we were spending twice as large a share of our gross national product on defense as we do today and, in those years, our economy grew vigorously and inflation was, by present standards, negligible. And when McNamara contends that defense spending is at the expense of social services, one is reminded of the words

of the late British air marshal, Sir John Slessor: "It is customary in democratic countries to deplore expenditures on armaments as conflicting with the requirements of social services. There is a tendency to forget that the most important social service a government can do for its people is to keep them alive and free."●

THE ROCKOWER MEMORIAL AWARDS COMPETITION IS AN- NOUNCED

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. COUGHLIN. Mr. Speaker, I am pleased to report the establishment of the annual Simon Rockower Memorial Writing Competition—honoring a remarkable humanitarian and philanthropist who lived in my congressional district—for member publications of the American Jewish Press Association.

A grant from Rockower Brothers, Inc., Huntingdon Valley, Pa., will enable the American Jewish Press Association to conduct the annual competition. This tribute comes on the anniversary of Mr. Rockower's birth 100 years ago in Austria. He died in 1949 at the age of 69.

The announcement of the competition was made by two press association officials one of whom is Frank Wundohl, of Wycote, Pa., a constituent and editor of the Jewish Exponent in Philadelphia.

I am inserting the copy of the news release that announced the competition that pays tribute to the late Simon Rockower:

WASHINGTON, D.C.—The establishment of the annual Simon Rockower Memorial Writing Competition for member publications and staff of the American Jewish Press Association was announced here today at the AJPA's 38th annual meeting.

AJPA President Frank F. Wundohl, editor of the Jewish Exponent of Philadelphia, and Albert W. Bloom, executive editor of the Pittsburgh Jewish Chronicle, who serves as the association's first vice president (editorial), outlined the details of the program.

"This annual competition, suggested several years ago, is about to become reality because of a generous grant from the firm of Rockower Brothers, Inc., of Huntingdon Valley, Pa., to perpetuate the name of the company's founder," Wundohl said.

"The firm and the Rockower family this year mark Simon Rockower's birth 100 years ago (1880) in Austria, and this grant to establish our annual competition will perpetuate his name," Wundohl said.

He quoted I. Budd Rockower, chairman of the board of the Rockower Brothers firm, who wrote to the AJPA:

"My father was a great man—highly respected, a humanitarian, a philanthropist, a man of outstanding character, a religious man and a gentleman."

The Rockower count 71 progeny—children, grandchildren and great-grandchildren. "One of his avocations," the board chairman's letter went on, "was to bring relatives and friends of relatives to this country. Simon Rockower was a strong man,

never humble but possessing of great humility. Among those teachings he left us as his legacy were: 'One of the most important things is a good name'; 'A family should always stay together'; and 'Be proud of your religion and people will respect you, and you will gain self-respect.'

Budd Rockower's letter also recalled an inscription from the 133rd Psalm "on the wall of the Simon Rockower Lecture Hall at Temple University which eloquently describes my father's practice and teachings, 'Behold, how good and how pleasant it is for brethren to dwell together in unity.'"

Simon Rockower died in 1949 at the age of 69. "I like to remember the words of Thomas Jefferson, eulogizing George Washington. 'Verily, a great man hath fallen this day in Israel,'" Rockower wrote of his father.

Bloom reported that Dr. Norman Lamm, president of Yeshiva University, "has graciously agreed that the University will oversee the annual competition, with Prof. David Mirsky, of the University's English Department, serving as chairman."

Actual competition, Bloom added, is expected to begin in 1981 with entries in six categories covering work in 1980. Those categories include news writing, editorial writing, feature writing, cultural and arts writing, special series, and page one makeup and graphics.

A national advisory committee is being set up to offer recommendations to the AJPA through Yeshiva University.

The AJPA, completing three days of briefings and meetings here, is comprised of some 75 American and Canadian English-language Jewish community weekly and bi-weekly newspapers and magazines with a combined readership approaching four million.

ARMS CONTROL AND AMERICAN FOREIGN POLICY CREDIBILITY—AN ARTICLE BY CONGRESSMAN ROBERT DRINAN

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. PEASE. Mr. Speaker, the opinion and commentary section of the Christian Science Monitor of June 6 carried an article by our departing colleague from Massachusetts, Mr. DRINAN, that I think makes a point that all of us are aware of but have done too little to act upon.

Congressman DRINAN argues that no amount of American posturing and quiet diplomacy will lead to a safer world when it is fairly clear that we are talking out of both sides of our mouth: On one hand we urge a safer world through disarmament, peaceful negotiation, and moral persuasion, but on the other hand we are out selling, transferring, or otherwise subsidizing the purchase of military weapons systems like a fraternity house out after new pledges.

If we are serious about arms control, we must come to grips with our schizophrenia.

Mr. Speaker, I commend the article to my colleagues:

WHAT EVER HAPPENED TO ARMS CONTROL?

Credibility is a crucial component in the successful execution of American foreign

policy. Yet around the globe today, whether it be Buenos Aires, Paris, or Tel Aviv, our image is characterized as "indecisive," "weak," or "without determination." Our credibility has been tarnished, affecting our ability to maintain our position as a world power. This is nowhere more evident than in our attempt to restrain the world's conventional arms race.

The facts reveal that the United States is and has been the largest arms merchant in the world; the latest figures show that the US holds 39 percent of the world market. This figure is growing. While the rest of the economy is crippled by poor economic conditions, the arms manufacturing business is booming, and getting better. Worldwide arms exports are nearing \$25 billion each year with an increase of \$5 billion expected annually.

President Carter realized the dangers of conventional arms proliferation early on in his service as the nation's commander in chief. "The virtually unrestrained spread of conventional weaponry threatens stability in every region of the world," he said in May, 1977, as he announced a new arms restraint program.

At the heart of his policy were a number of control mechanisms designed to curb the transfer of sophisticated US weapons to developing nations including (1) setting ceilings on the dollar amount of transfers allowable each fiscal year, (2) refraining from introducing newly developed or advanced weapons systems into a region, and (3) preventing development or significant modification of advanced weapons solely for export. Our friends and allies applauded the new policy as a major step toward a worldwide reduction of conventional arms. The Congress, for its part, endorsed the President's proposal and streamlined legislation to enable the Congress to monitor large sales.

The stated administration goal was to "set a unilateral example of arms restraint for other countries to follow," but this policy has been a dismal failure. The price ceilings for fiscal year 1978 and 1979 have been honored, but only by the statistical mismanagement of actual arms transfers. Twenty-five percent of all US sales were exempted from the price ceiling for technical reasons. Arms agreements signed after the announcement of the policy have included some of the most advanced systems in the US inventory (F-15s, F-16s, AWACS, TOWs). In short, as concluded by a General Accounting Office report issued a year ago, there has been "no credible reduction in sales."

Without a genuine policy signal from Washington, our European allies have never been convinced that the US was serious about arms restraint. Most European officials simply do not believe the US practices what it preaches in the field of arms control, and the facts have proven them right. Led by France, Britain, and West Germany, European producers have dramatically increased their arms exports.

The climate created by the hostage-taking in Iran and the Soviet invasion of Afghanistan has devastated any skeletal remains of arms restraint that may have been underway. In a key reversal, the Carter administration announced in February that it would allow the US aerospace industry to proceed with the long-delayed development of a new, lower-cost fighter plane, the F-X, intended mainly for export. And in another department, then Secretary of State Cyrus Vance told the Senate Foreign Relations Committee that "in the absence of agreed international restraint, we do not plan to reduce further the ceiling on our arms transfers." Instead of taking the lead and encouraging other countries to join our ef-

forts, he retreated to a reactive "them-first" approach.

The United States can improve its unilateral restraint policies and regain a position of leadership. By developing country-by-country arms sale criteria and sticking closely to the arms sale ceiling, real reductions can be achieved.

As the President has indicated, and history has proven, conventional arms sales can be a source of regional instability, rather than the answer to the world's ills. The recent world crises, rather than making the case for pouring in more weapons to already unstable regions of the world, point to the desperate need for arms control. It would behoove our government to choose its policies carefully and adhere to them. The likely result would be an increase in our credibility abroad, and in our safety here at home.

CANADIAN-AMERICAN RELATIONS: THE NEED FOR A MORE POSITIVE ATTITUDE ON BOTH SIDES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. LaFALCE. Mr. Speaker, relations between Canada and the United States are easily among the warmest and most cordial in the entire world. No Armed Forces stand on our 3,000-mile border with Canada; and trade between the two countries continues to grow at a brisk rate. Indeed, the actions of the Canadian diplomatic personnel in Tehran demonstrate that the United States probably has no better friend than our neighbor to the North.

Despite that general picture, there remain a number of issues which do not contribute to better relations between the two countries. These issues in and of themselves are not gigantic, but they are vexing and should be resolved. I suspect that the primary reason for that lack of resolution is small mindedness on both sides of the border. A more positive and cooperative attitude in both Washington and Ottawa could significantly help resolve these few remaining disputes and produce even better relations between the two countries.

In an excellent editorial from its August 11 edition, the Buffalo Courier-Express addressed one of those remaining issues and reached the most logical conclusion: "Both countries could be better off with fewer protective tariffs." I heartedly agree, and I want to share that editorial, which is entitled "One Tax Begets Another," with all of my colleagues.

The editorial follows:

ONE TAX BEGETS ANOTHER

President Carter has decided to retaliate against a 1976 Canadian television tax law that prohibits businesses north of the border from taking tax deductions for the cost of advertising on U.S. stations by asking Congress to pass a similar law affecting American businesses on Canadian TV. While we favor free-trade policies in gener-

al, the President's escalation of the television advertising dispute may lead to some beneficial results in the long run.

The rationale for the Canadian law in 1976 was that it was necessary to improve the cultural content and economic viability of the Canadian broadcasting system. One has to wonder whether cultural content or money was most on the minds of Canadian lawmakers, however, since the measure has resulted in \$100-million in lost revenues for American stations while American programs still are carried unrestricted and at no cost into Canada through cable television. (Canadian advertising revenue for Buffalo stations reportedly has dropped from \$9-million to \$10-million annually to between \$3-million and \$4-million.)

Many Canadians have been unsympathetic to American complaints about the television tax, but attitudes concerning another Canadian-American tax issue differ markedly. The Canadian tourist industry continues to press for a suspension of U.S. tax laws which prevent U.S. delegates to Canadian conventions from deducting their expenses for tax purposes—a tax break which the U.S. Senate is in no mood to give until the television dispute is settled, by the way.

At least one voice in Canada has pointed out this inconsistency. A July 24 editorial in the *Toronto Globe and Mail* said that "either we should recognize that both sides can play at protectionism and accept the game on those terms, or we should simply stop imposing protective policies." We agree. Both countries could be better off with fewer protective tariffs.●

TO FIGHT THE PROPAGANDA WAR

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BROOMFIELD. Mr. Speaker, on July 31, the Washington Star printed an excellent editorial by Carl Levin entitled "To Fight the Propaganda War." In it, Levin explains why the Evans amendment, which was voted favorably on July 22, is a sorely needed boost for our Nation's Voice of America program. As you know, the Evans amendment authorized an additional \$2.1 million to the fiscal year 1981 appropriation for the International Communications Agency to expand by about 6 hours the daily VOA broadcasts in seven key Islamic languages to Southeast Asia, the Middle and Far East, and North Africa. The Soviet invasion of Afghanistan, together with the unrest in Iran, have exacerbated tensions within the volatile Moslem world, and have made a strong Voice of America program to this region essential. The need for an expanded VOA broadcast to the Moslem world is increased by the extensive Soviet radio propaganda campaign in the region.

My enthusiasm over the passage of the Evans amendment derives in part from the fact that the amendment implements the recommendations I made several months ago in a letter to the Appropriations Committee that was cosigned by some of my colleagues on the Foreign Affairs Committee. I have

long been a strong advocate of the Voice of America, and it is gratifying to see that many of my colleagues in the House share this view. I submit the Levin editorial for the RECORD.

TO FIGHT THE PROPAGANDA WAR

I suspect that few would argue with the premise that to win understanding and assent one must first communicate.

Yet in the continuing political ideological war between Moscow and the West—particularly for third world alliances—the U.S. clearly is no match for the Soviets. This is not because the U.S. lacks the skills to communicate but because it pursues a non-propaganda policy in its money-starved overseas broadcasting activities.

With ferment in the Moslem world, with an alienated and seemingly rudderless Iranian revolution raging against U.S. policy and with the Soviet invasion of Afghanistan, there is a need to address the Moslem world in an organized, meaningful way. Yet the administration continues to look upon our foreign broadcasting activities as expendable at the altar of a balanced budget.

In an effort to ameliorate this dangerous deficiency in U.S. policy, Rep. Thomas B. Evans Jr., of Delaware, has sought to add \$2.1 million to the fiscal '81 appropriation for the International Communications Agency. It would expand by about six hours daily Voice of America broadcasts in seven key Islamic languages to Southwest Asia, the Middle and Far East and North Africa. It is estimated that 500 million Moslems inhabit these regions. They can be reached by existing transmitters, and thus these proposed broadcasts entail no additional expenditures for facilities.

Actually additional transmitters are needed to reach some areas where the Soviets are using not only bullets but propaganda to subvert the population. Careful inquiry will reveal that officials of the National Security Council who want to address this problem are silenced by the administration because of economy strictures.

Presently the U.S. beams news to eastern Europe via Radio Free Europe. Our other broadcasting arm abroad, Radio Liberty, is beamed to the Soviet Union also with news. Our only radio communication to the critical Middle East area, with one exception, is Voice of America, which is limited by statute to disseminating news of events in the United States.

Because of this glaring deficiency, the CIA last May borrowed an Egyptian transmitter to beam propaganda to Iran.

The Evans amendment simply would appropriate \$2.1 million to expand the Voice of America news broadcasts to areas where the Soviets are doing some of their most dangerous subversion. Agencies of our government spill more than that before breakfast.

Important as it is, however, this is but a first step in a situation crying for attention. Radio Free Europe and Radio Liberty urgently need to be supplemented with a new broadcasting arm—a Radio Middle East, which would concentrate on the vital oil-producing regions which are so vulnerable to subversion.

At a time when Americans fear that military parity with the Russian bear has slipped away, when we again are asking our youth to register for military service, the least this nation can do is unshackle our foreign broadcast arms—and help spare American youth from again having to lay down their lives in a war that need not be.●

STRATEGIC PETROLEUM RESERVE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BOB WILSON. Mr. Speaker, one of our former colleagues, Hon. Craig Hosmer of California, has come up with a remarkable little essay about the need for a strategic nuclear reserve.

It makes so much better sense than the ecologically dangerous policy of the strategic petroleum reserve, where we pump oil out of the ground and ship it across country, all at great expense and danger to put it back in the ground as a so-called reserve source.

I include Hosmer's essay as a portion of my remarks.

A STRATEGIC NUCLEAR RESERVE?

If it is true, as various news reports allege, that previously announced U.S. plans to create a "Strategic Petroleum Reserve" (SPR) of approximately one billion barrels of oil have been slowed down, if not shelved, because of opposition from Saudi Arabia, there could be a viable alternative which would prove much more cost-effective in the long run: creation of a Strategic Nuclear Reserve (SNR).

Consider the following facts:

One 1,000 MWe nuclear power station operating at an average 65 percent load factor could provide as much electrical energy annually as any of the following: 10 million barrels of oil; or 2.4 million tons of coal; or 64 billion cubic feet of natural gas; or seven million tons of garbage. At \$30 per barrel (a most conservative cost projection), it would cost \$30 billion to build a Strategic Petroleum Reserve of one billion barrels of oil.

For the same \$30 billion outlay the United States could build 30 nuclear power plants (1,000 MWe capacity each), which collectively would provide the energy equivalent of 300 million barrels of oil per year. In 3½ years 30 such plants would produce the energy equivalent of one billion barrels of oil—and after that, during their remaining lifetimes of approximately 35 years, produce the energy equivalent of roughly another 10 billion barrels of oil—a more than tenfold increase in productivity for the same cost, in other words.

During the 3½ years postulated to create the energy equivalent of one billion barrels of oil, the 30 nuclear plants in the SNR program would consume about 3,000 tons of enriched uranium. To develop the same energy equivalent, coal plants would have to consume 240,000,000 tons of coal; oil plants, of course, would have to consume one billion barrels of oil. Craig Hosmer.●

CONGRESSIONAL SALUTE TO THE REVEREND CLEMENT M. CARDILLO, S.D.B., ESTEEMED PASTOR OF ST. ANTHONY'S ROMAN CATHOLIC CHURCH, PATTERSON, N.J.

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. ROE. Mr. Speaker, on Friday evening, August 22, residents of my

congressional district, State of New Jersey, will assemble with members of the congregation of St. Anthony's Roman Catholic Church, Paterson, in testimony to the good works of a most distinguished clergyman, esteemed pastor, proficient psychologist, outstanding community leader, and good friend, Rev. Clement M. Cardillo, S.D.B., whose standards of excellence as pastor of St. Anthony's Roman Catholic Church for the past 15 years will be commemorated by all in attendance.

Mr. Speaker, Father Cardillo has served in the vanguard of our community as adviser and counsellor in the fields of education, senior citizens programming, community planning and development, health, youth recreation and character building, and many other charitable and civic endeavors.

In recognition of his exemplary achievements, in service to God and to our people, so unselfishly dedicated to the betterment of mankind, on July 1, 1980, his excellency, the Most Illustrious and Most Reverend Monsignor Frank Rodimer, Bishop of Paterson, appointed Father Cardillo as full-time director of the diocesan consultation services for religious, a position he has held part time since 1967.

Mr. Speaker, there is so much that can be said of the love, affection, and reverence with which Father Cardillo is held by all of us who have had the good fortune to know him.

A native of Port Chester, N.Y., Father Cardillo entered the Salesian Seminary in Newton in 1940 and took his vows in 1944. He was ordained at Bollengo, Italy, in 1954 and said his first Masses at the seminary there, at the Basilica of Mary Help of Christians in Turin, Italy; and in his boyhood parish, Holy Rosary in Port Chester.

His first assignments were that of teaching in West Haverstraw and Goshen, N.Y., and later at Sacred Heart Junior Seminary in Ipswich, Mass., where he later became the superior.

In addition to the academic courses of study that he pursued at Boston College, where he also earned his masters, he participated in internship programs at the Boston Veterans' Administration Hospital and in a public school system in the Boston area. He finished his final academic studies at Columbia University, N.Y. After 1 year of planning and 3 years of research, he completed his dissertation for his doctorate entitled, "Empathy and Personality Traits."

Father Cardillo has been pastor of St. Anthony's since August 1965.

In June 1972 he was awarded his doctorate in psychology from Boston College. He is a licensed psychologist and in 1978 was appointed by the Governor of New Jersey to the State board of psychological examiners, where he now serves as an officer. Former diocesan director of Precana, Father Cardillo is also a member of the American

and New Jersey Psychological Associations.

Mr. Speaker, Father Cardillo's long list of exemplary achievements in service to God and his congregation span the needs and concerns of all of our people—young and adults alike. I know that you and all of our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to him for the excellence of his service to his church, our Nation, and all mankind. We do indeed join with the parishioners of St. Anthony's Roman Catholic Church, Paterson, N.J. in saluting an esteemed pastor, outstanding educator, community leader, and great American—the Reverend Clement M. Cardillo, S.D.B.●

MODERN-DAY CIRCUIT PREACHER STILL SERVES COUNTRY CHURCHES

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. BOWEN. Mr. Speaker, it is my pleasure to know Dr. Charles Granville Hamilton of Aberdeen, Miss. Dr. Hamilton is probably one of the last of the circuit-rider preachers in our country. Recently, the Tupelo Daily Journal in Mississippi featured an article outlining Dr. Hamilton's life work as a minister, and I would like to share that article with you.

MODERN-DAY CIRCUIT PREACHER STILL SERVES COUNTRY CHURCHES

ABERDEEN, MISS.—Not many of the itinerant preachers who used to walk the Old Natchez Trace have anything on Charles Hamilton, a modern-day circuit rider who has delivered some 28,000 sermons in his 55-year ministry.

Walking the backroads of rural Mississippi, Hamilton used to preach at least two sermons every Sunday—sometimes as many as six when he had a car. On Good Friday he regularly gave three three-hour sermons. By his own records—he keeps a log book of every sermon he has ever given—he has preached in 522 churches in 312 states.

Hamilton's staggering output isn't his only claim to fame. He has also read the New Testament an average of once a week for 50 years, once earning a spot in a "Believe It or Not" newspaper feature.

Hamilton has spent much of his life in Aberdeen, a tiny town not far from the locale for William Faulkner's fictional Yoknapatawpha County. But though he does most of his preaching in little country churches and meeting houses, he is no fire-and-brimstone backwoods preacher whose learning goes no further than his Bible.

Hamilton has written and edited more than 30 books of history, religion and poetry. He holds a Ph.D. from Vanderbilt University and has read the New Testament in 26 different languages "so it won't be a matter of rote." In his sermons he freely quotes Kierkegaard, Socrates and George Bernard Shaw as well as Jesus and Paul.

A native of Kentucky, Hamilton's first church was in Sault Ste. Marie, Canada, in 1926. He divided his next several years between preaching and school, earning gradu-

ate degrees at Ole Miss, Columbia Seminary in Atlanta and Vanderbilt.

Returning to Mississippi in the 1930's, he served a term in the state Legislature as a Democrat from Monroe County. "But I always came back on Sundays, to preach sermons," he says.

In 1941 he began his radio ministry, "The Quiet Hour," which has been broadcast for 38 straight years. His sermons also appear in pamphlets and in several books.

Hamilton admits he has repeated himself a few times. He estimates he has preached "The Words from the Cross" more than 200 times. "You Can't Steal Home" is another favorite, as is his homily on the 23rd Psalm. His favorite texts are the Gospels and the Psalms.

"I believe in the historic Christian faith. I don't particularly care for sectarianism," says Hamilton, who is Episcopalian.

He also doesn't care much for high-powered churches.

"I like to preach to country people. The big city church is mainly an organization. The minister doesn't have to preach so well if he can run the wheel. In a little church they have to have somebody they can listen to."

Now 74, Hamilton keeps up a serious interest in history and politics in addition to his weekly sermons and pastoral visits. He hopes to attend his 10th Democratic National Convention this summer.

Meanwhile, like the Old Testament prophets and the early American circuit riders, Hamilton has sermons to preach and places to go. A few years ago he was hospitalized with a serious illness. He says he told the Lord that perhaps his work was through. But he had misread the signs.

"When you have done your work the Lord will tell you. You won't have to tell Him."●

JUSTICE WILLIAM O. DOUGLAS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. CONYERS. Mr. Speaker, Justice William O. Douglas was an authentic American hero. He was fond of saying, "The right to dissent is the only thing that makes life tolerable." His individualism, together with his unshakable belief in democratic rule, made him an unmistakably unique—and yet universal—human being and public servant.

The August 1980 issue of *Penthouse* magazine has captured Justice Douglas' extraordinary presence and role in American history in an article written by Nat Hentoff, entitled: "The Last American: A Eulogy for William O. Douglas." A lifelong student of legal theory and practice, a highly regarded journalist with the *Village Voice*, and author of numerous books, including the recently published "The First Freedom," Hentoff provides an exceptional glimpse into the life and work of Justice Douglas.

I recommend the article to my colleagues:

THE LAST AMERICAN: A EULOGY FOR WILLIAM O. DOUGLAS

(By Nat Hentoff)

He looked like his old friend Spencer Tracy and was amused when moviegoers,

mistaking him for the actor, asked for an autograph. The thing about Tracy, William O. Douglas used to say, was that "he never talked bunk." Also, said the Supreme Court justice of the film star, "I never knew anyone more American than he."

Douglas could have been speaking about himself. Blunt, fearless, he scorned legalistic, euphemistic language. He was the same "Wild Bill," as his law clerks called him, on the bench as he was on the mountains he loved to climb: passionate, clear, and as rebelliously individualistic as the very framers of the Constitution. Indeed, the fiery main theme of the more than 1,200 opinions he wrote during 36 years on the High Court—he served longer than any other justice in our history—was undiluted, revolutionary Americanism.

And that is why he was the most crucially important member of the Court in our time.

But Bill Douglas's value to the nation was far more than as a jurist. He was the last of the truly great men in the public life. In the brilliance and the sweep of his intellect, the boldness of his attacks on illegitimate authority—no matter how high or powerful—Douglas was in the direct line of Thomas Jefferson, James Madison, Frederick Douglass, Eugene Debs, and Sen. Bill Langer, the North Dakota maverick who supported Douglas when hardly anyone else would.

That rugged lineage may emerge again, but as of now there is no one like Douglas in any public office. Our officials are smooth, small in scope, fearful of being too controversial, tailoring their principles to polls. And on the High Court, the majority now treats the First Amendment as if it must be steadily cut down, because the post-Douglas doctrine is that the citizens are subjects of the government, not its masters.

In sum, there is no voice now like that of Douglas when, in 1972, he furiously asked: "since when have we Americans been expected to bow submissively to authority and speak with awe and reverence to those who represent us? The constitutional theory is that we the people are the sovereigns—the state and federal officials only our agents. We who have the final word can speak softly or angrily. We can seek to challenge and annoy, as we need not stay docile and quiet."

This uncompromising Jeffersonian stance got Bill Douglas into a lot of trouble with those, in and out of government, who, if they had to vote on the Bill of Rights now, would condemn it as a profoundly subversive document.

Three times there were moves in Congress to impeach the justice. Once, in 1953, when he stayed the execution of Julius and Ethel Rosenberg. (His brethren immediately overruled him.) Acutely aware of the incendiary popular feeling against these convicted atomic-bomb spies, Douglas figured that his act might lead somebody to "take a shot at me," but he'd be damned if he'd be intimidated. Under the law, he said, the Rosenbergs couldn't be sentenced to death unless the jury had so recommended. And the jury had not. Therefore, Douglas declared with characteristic straightforwardness, "No man or woman should go to death under an unlawful sentence." The Rosenbergs were electrocuted anyway, but Douglas had no complicity in that judicial murder.

In 1966 another impeachment posse went after Douglas because the justice, then 67, had recently taken as his fourth wife 23-year-old Cathleen Heffernan. It was always Douglas's unyielding view that he, like any other citizen, had the right to live his life anyway he chose so long as he didn't break the law. The Bill of Rights, he often said, "was designed to keep the government off

the backs of the people." And that meant Bill Douglas, too.

The final impeachment plot came in 1970 and was led by House Minority Leader Gerald Ford, serving as a ventriloquist's dummy for President Richard Nixon and Attorney General John Mitchell, who accurately considered this foremost paladin of the Bill of Rights their natural enemy. The charges included the scandalous fact that Justice Douglas had exercised his First Amendment rights by writing for such "pornographic" magazines as *Evergreen Review*. Another allegation had to do with a \$12,000-a-year retainer Douglas was receiving for his work on a charitable foundation set up to promote international understanding by bringing foreign students to study the workings of American government. The businessman who had funded the project, it turned out, held a mortgage on a Las Vegas hotel and gambling casino. Therefore, Gerald Ford implied, Douglas had ties with The Mob. A House Judiciary Subcommittee entirely cleared Douglas.

Having had his high noon with Nixon, Mitchell, and Ford, Douglas kept on being his controversial self. And he continued to be a loner on the Court, for he never engaged in the customary bargaining there whereby a justice, to persuade enough of his brethren to make a majority, trades off bits and pieces of his own principles. (The process is detailed throughout Woodward and Armstrong's recent book *The Brethren*.) And because Douglas would not dilute his opinions, he was wholly free to play to his greatest strength. As his former law clerk, Harvard Law School Prof. Vern Countryman, says of Douglas: "His capacity to get to the guts of the issue was his most distinguishing characteristic. He wouldn't get enmeshed in technicalities or doctrine. He would always see clearly what the issue was. And powering that extraordinary skill at penetrating to the heart of the matter was Bill Douglas's rage, until death itself, against injustice. As Justice Hugo Black, his longtime ally in many dissents that later become majority opinions, said: 'Bill must have come into this world with a rush, and his first cry must have been a protest against something he saw at a glance was wrong or unjust.'"

For instance, three years after the Nixon Mafia tried to have him thrown off the Court, Douglas became the first member of the High Court in history to stop American bombing of another nation. He didn't stop it for long, because his appalled brethren reversed his decision, but the courage he showed—and the fundamental humanity of his opinion—particularly underscores what Douglas meant to the nation. As will be seen, he was best known for his decisions giving full breathing room to the First Amendment—a body of work that will be a benchmark of liberty of speech and press so long as this country exists. But there was much more to Douglas, as *Holtzman v. Schlesinger* reveals.

In 1973 Congresswoman Elizabeth Holtzman of New York and several air force officers serving in Asia sued to force the Secretary of Defense, James Schlesinger, to stop U.S. air operations over Cambodia. Why? Because Congress had not declared war on that hapless country. For years Nixon and Kissinger had secretly been destroying that land, and now it was being done openly. A lower court had agreed with Holtzman and the air force officers, but a Court of Appeals ruled that the bombing must go on until the case went all the way through the judicial system. The Supreme Court, however, was in summer recess, and so the lawyers for Holtzman and the other antibombers went to Douglas to get him to stop the killing. They found him in his beloved Goose Pral-

rie, Wash. (permanent population: eight), a place on the last natural frontier that he considered his permanent home.

Douglas examined all the arguments on both sides and said that, in essence, this was like all other capital cases. That is, when life is about to be lost and there is doubt whether due process has been followed in the imminent taking of that life, a stay of execution must be granted because "death is irrevocable."

Then Douglas spelled it out in language so clear that all citizens could understand: "The classic capital case involves whether Mr. Lew, Mr. Low, or Mr. Lucas should die. The present case involves whether Mr. X [an unknown person or persons] should die. No one knows who they are. They may be Cambodian farmers whose only 'sin' is a desire for socialized medicine to alleviate the suffering of their families and neighbors. Or Mr. X may be the American pilot or navigator who drops a ton of bombs on a Cambodian village. The upshot is that we know that someone is about to die."

So Douglas granted a stay of the bombings. It wasn't up to him, he pointed out, to decide at this juncture whether the bombings were constitutional, but anyway, he let us know what he did think: "... Even if the 'war' in Vietnam were assumed to be a constitutional one, the Cambodian bombing is quite a different affair. Certainly Congress did not ... declare war against Cambodia and there is no one so reckless as to say that the Cambodian forces are an imminent and perilous threat to our shores."

The very next day the other members of the Supreme Court—polled by telephone—decided to let American bombers continue their killing in Cambodia. William Douglas, of course, was the only dissenter.

Douglas so often stood against the majority, in fact, that he filed more dissents—531—than did any other justice since the founding of the Court. But more of his dissents later became the law of the land than did those of any of the other Great Dissenters, including Louis Brandeis and Oliver Wendell Holmes.

Most often Douglas was alone, or in alliance with Hugo Black, in his total resistance to punishing speech or writing—no matter how outrageous, offensive, or "subversive." Of all his dissents, he was proudest of what he said in *Dennis v. United States* (1951), when the High Court affirmed the conviction and jailing of 11 Communist party leaders for "teaching" and "advocating" the overthrow of the government by force.

It was a time when much of the nation was transfixed by the fear of communism, and witch-hunts against domestic Reds, real and imaginary, were being conducted with at least as much fervor as in colonial Salem. Yet Douglas unequivocally declared that these Communist party officials were fully protected by the First Amendment because all they had done was to discuss and teach certain books. They had only engaged in "speech, to which the Constitution has given a special sanction. ... We have deemed it more costly to liberty to suppress a despised minority than to let them vent their spleen. We have above all else feared the political censor. We have wanted a land where our people can be exposed to all the diverse creeds and cultures of the world."

But these were Communists! Precisely, said Douglas, why they, too, should be able to speak freely here. And he quoted, at the end of his dissent, from a 1938 book by the chief Soviet prosecutor, Andrei Vishinsky, *The Law of the Soviet State*. Vishinsky had warned the citizens of his country: "In our state, naturally, there is and can be no place for freedom of speech, press, and so on for the foes of socialism."

"Our concern," Douglas emphasized, "should be that we accept no such standard for the United States." The quintessential difference between a free nation, as we profess to be, and a totalitarian state, is that here everyone, including a foe of democracy, has the right to speak his mind.

Douglas never got over the anti-Americanism of the majority of his brethren in that case. In 1973, speaking to students at Staten Island Community College in New York, the dauntless First Amendment warrior said of the convicted Communist leaders: "Those defendants were not plotting revolution, handing out grenades, making caches of rifles and ammunition and the like. They were teachers only—men teaching Marxism."

Not only was all political speech protected, said Douglas again and again, but all speech and writing. The First Amendment could not be more clear. There shall be no law "abridging the freedom of speech, or of the press." Period. As Douglas thundered in the 1966 *Fanny Hill* case. "Publications and utterances were made immune from majoritarian control by the First Amendment, applicable to the states by the Fourteenth. No exceptions were made, not even for obscenity" [emphasis added].

Douglas, throughout his long term on the High Court, was appalled that his brethren took it upon themselves to police so-called obscenity. He himself never saw the movies or read the books that came up for decision, "because I have thought the First Amendment made me unconstitutional for me to act as a censor."

Back in 1957, when a majority of the Court first directly ruled that "obscenity" was not protected by the First Amendment, Douglas made his position utterly clear, and he never budged from it. Dissenting in *Roth v. United States*, the conservator of individual liberty proclaimed: "Any test that turns on what is offensive to the community's standards is too loose, too capricious, too destructive of freedom of expression to be squared with the First Amendment. Under that test juries can censor, suppress, and punish what they don't like, provided the matter relates to 'sexual impurity' or has a tendency 'to excite lustful thoughts.' This is community censorship in one of its worst forms. If the First Amendment is to mean anything in this field, it must allow protests even against the moral code that the standard of the day sets for the community."

In obscenity cases and every other case that came to him on the Court, Douglas was the strictest of constructionists, interpreting the Constitution as the guarantor of individual liberties it was fully intended to be. Or, as James Madison, the principal architect of the First Amendment, had kept emphasizing, the greatest danger to liberty in this free nation is to be found "in the body of the people, operating by the majority against the minority."

And what particularly enrages the majority is protest against its customs, values, and norms of proper behavior. So long as that protest was peaceful, however, Douglas not only supported but also encouraged it. For example, during the rise of the civil-rights movement in the South, students were arrested in a small Florida town for assembling at a jail to protest the official segregation policies. In an opinion dissenting against the upholding of the protesters' convictions, Douglas delivered a classic endorsement of every American's right to take to the streets to exercise his freedom of speech:

"The right to petition for the redress of grievances is not limited to writing a letter or sending a telegram to a congressman; it is not confined to appearing before the local

city council, or writing letters to the president or governor or mayor. Legislators may turn deaf ears; formal complaints may be routed endlessly through a bureaucratic maze; courts may let the wheels of justice grind very slowly.

"Those who cannot afford to advertise in newspapers or circulate elaborate pamphlets may have only a more limited type of access to public officials. Their methods should not be condemned as tactics of obstruction and harassment as long as the assembly and petition are peaceable, as these were."

This craggy six-footer from the West, who always looked directly at you with his gray-green eyes, continually insisted that the Constitution exists to nurture dissent and to protect the powerless. It was made to safeguard the heretic from the state and to give the poor at least a shot at justice. He was years ahead of his brethren, for instance, in urging that all criminal defendants be given free counsel if they couldn't afford a lawyer.

The intensity of Douglas's empathy with outsiders, even outcasts, did not come solely from an abstract reading of constitutional history. It came from his own life. As he once said, "I worked among the very, very poor, the migrant laborers, the Chicanos, and the I.W.W.'s [the Wobblies] whom I saw being shot at by the police. I saw cruelty and hardness, and my impulse was to be a force in other developments than cruelty and hardness in the law."

Douglas was born on October 16, 1898, in Maine, Minn. Soon after birth he was taken to California and then to a small town in Washington. His father—a circuit-riding frontier preacher—died there when the boy was six. Three years before, the child had contracted polio, and the doctors had gloomily assured his family that the stricken youngster would never walk again and would be lucky to live to the age of 40. Fatherless, growing up in poverty, Douglas spent much of his childhood forcing his limbs back into full use through hiking and mountain climbing. Along with instilling in him a lifelong tenacity of awesome proportions, this experience turned Douglas into an ardent admirer and protector of what was left of the wondrous wilderness.

An environmentalist before the term was known, Douglas was later, in dissent, to fight against any further exploitation of forests and streams, even claiming that all the forms of natural life should have standing before the Supreme Court to defend their right to exist—"the pileated woodpecker as well as the coyote and bear, the lemmings as well as the trout in the streams."

No other justice in American history was more active in life or had a wider range of knowledge than Bill Douglas. And because he refused to insulate himself within any one class or age group as he grew older, he never did lose his youthful curiosity and irreverence. Without being sentimental, moreover, Douglas tried to reach out to the young, writing in publications he figured they read. "People of my generation," he explained, "are bankrupt. Politically and philosophically bankrupt. Look at what they've produced: a system that makes war the alternative, a system that's highly stratified, that just pays off great sums of money. This is socialism for the rich. I'd like to reach the minds of the youngsters because this system doesn't have to be this way."

Once, in a recording distributed by *Scholastic Magazines* and *Folkways*, Douglas had a chance to speak directly to very young students. His advice essentially was to live

as he had: "Learn to live boldly and adventurously, get rid of all the fears that slow people up and inhibit them. Come to the world with an open mind. Don't be afraid of it."

And in the epigraph to the first volume of his autobiography, Douglas, quoting a thirteenth-century Persian poet, added: "All your anxiety is because of your desire for harmony. Seek disharmony; then you will gain peace."

Bill Douglas actively and exultantly pursued disharmony for all his 81 years. The last six were extraordinarily frustrating, however, because a stroke suffered on New Year's Eve, 1974, so incapacitated him that, with great reluctance, he resigned from the Court on November 12, 1975, after striving mightily, in intense pain, to continue his work there. And after he yielded that much to his infirmity, Douglas nonetheless tried to stay on as a "tenth justice." The Constitution, however, had no provision for such an arrangement, even for its most fervent protector, and Douglas was eventually persuaded to withdraw entirely.

His mind would not be confined, though, and Douglas continued writing—finishing the final volume of his autobiography. To be published by Random House this fall, the book, according to sources who have seen it, presents scathing profiles of certain justices, most notably the late Felix Frankfurter and present Chief Justice Warren Burger.

Until the end, Douglas also kept up with his usual wide range of interests, far beyond the Court and the law. In May 1979 for instance, he commented trenchantly in a letter to the *Washington Post* on what had happened at Three Mile Island: "The message is clear. The benefits of nuclear power are far outweighed by the greater risks imposed upon an unsuspecting public. If we should treat the energy crisis as the 'moral equivalent of war,' then we should view the continued use of nuclear power plants as the 'moral equivalent of suicide.'"

On January 19, 1980, William Orville Douglas, after being hospitalized for a month with pneumonia as well as lung and kidney failure, died at Walter Reed Army Medical Center in Washington. He was 81. His Court opinions fill 118 large volumes—a quarter of the entire production of the Supreme Court from its beginning. But Bill Douglas's opinions—and the thrusting spirit of liberty that powers them—are not just for study by constitutional scholars and historians. He reached; and will keep on reaching, those Americans who continue to refuse, in Louis Brandeis's words, to become "submissive clerks" rather than remain contentiously independent citizens.

WORKERS' STRIKE IN POLAND

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

• Mr. DERWINSKI. Mr. Speaker, during the last 2 weeks, the workers' strike in Poland has received a great deal of press attention. The efforts of these workers to improve the living conditions in that country has come as a surprise to most observers. However, it should not have.

I would like to direct the Members' attention to an article that appeared in the AFL-CIO Free Trade Union News of June 1980, by Tadeusz Walendowski, which gives some insight into the unrest in Poland. Mr. Walendowski now resides in Washington, having recently arrived from Poland, where he was active in the human rights movement and as editor of a literary magazine, PULS. His comments follow:

WORKER REPRESSION IN POLAND

(By Tadeusz Walendowski)

On March 18 the corpse of a young man was found in one of the canals running through the Polish port city of Gdansk. He was identified as Tadeusz Szczepanski, a worker-activist, associated with the Founding Committee of the Coastal Free Trade Unions. The mysterious circumstances of his death raise questions of possible secret police involvement as it comes at a time of harsh government actions against the Polish opposition, and especially against dissident workers.

Tadeusz Szczepanski, a driver for the Gdansk electrical plant "Elektromontaz," was 19 years old on the day of his disappearance, January 16, 1980. A day earlier he had been fired from his job because of his participation in a wreath-laying ceremony at the Gdansk shipyard gate on the ninth anniversary of the massacre of workers on the Baltic coast. By detaining 200 to 300 people officials hoped to discourage participation. Despite this, some 5000 took part in the December 1979 demonstration in Gdansk to commemorate the event at which workers were shot to death by police. This event took place at the height of the December 1970 food riots which toppled the previous leader, Gomulka, and brought Gierk to power.

The management of the Gdansk "Elektromontaz" enterprise terminated the employment of 25 workers, who took part in the December 1979 demonstration. The workers responded by organizing themselves. About one-third of the work-force, 170 workers, formed a Workers' Committee. There were a number of public meetings and some arrests, followed by workers making demands beyond the dismissals, which initiated the whole process. The factory's Communist Party organization, along with the secret police, was mobilized into issuing threats and intimidations to quell the workers' unrest. It was about this time that Tadeusz Szczepanski disappeared, only to be found dead two months later.

Since the autumn of 1979 we have seen a serious change in the authorities' approach toward people defending human and civil rights in Poland. The Communist government's previous policy of relative restraint was replaced by one of persecution, police harassment and terror. Especially affected were the activists trying to fight for better living and working conditions among Polish blue collar workers. People who founded free labor unions in Katowice, Gdansk and Szczecin, editors and printers of the underground journal "Robotnik" (Worker), popular workers' leaders—all have become targets of repressive police measures in recent months.

In January and February 1980, more than thirty workers were victims of short term detention (up to 48 hours) and more than twenty had their apartments searched by the police. In ten search cases, copies of "Robotnik" were confiscated along with printing equipment, paper and, very often, personal belongings. It has now become rou-

tine procedure for the police to conduct such detention and searches without filing formal charges.

In some cases, however, authorities went even further and have started criminal proceedings based on fabricated charges against worker-activists. This is true in the case of Edmund Zadrozynski, a popular workers' activist from Grudziadz and a co-editor of "Robotnik." Zadrozynski was arrested on July 1, 1979 on several charges—"organizing a criminal gang" was the most serious among them. In February 1980, Zadrozynski was put on trial and sentenced to three years' imprisonment despite the prosecution's inability to produce any proof of criminal conduct. During the trial the only two witnesses who testified against him retracted their testimonies and then, showing obvious signs of police pressure, reverted to their original versions. (Both were kept under arrest during the trial, accused of criminal charges.)

Kazimierz Switon, coal miner from Katowice—a co-founder of the independent Free Trade Union and member of the editorial board of "Robotnik"—was accused and convicted of assaulting four police officers and damaging a police car. He received a one-year prison sentence which was later reduced to the term he had served while awaiting trial, i.e., six months. However, the government can appeal this sentence and reimpose or even increase it. Kazimierz Switon and his family are the constant targets of police harassment and brutality. In February 1980, during numerous illegal interrogations, police officers threatened him with psychiatric hospitalization or deportation.

Czeslaw Chomiczki, a worker from Radom who was sentenced to nine years for alleged participation in vandalism during the 1976 food price riots and was later reprieved, now faces new charges and possible reactivation of his suspended sentence. He was arrested on February 14 during a row at a taxi stand. A policeman claims that Chomiczki hit a drunken man who was trying to get a taxi outside the queue. All the other witnesses, including the alleged victim, disclaim it. Chomiczki was taken to the sobering chamber; when his wife Danuta went to see him there, she was thrown out by a policeman and hit in the face three times. The next day she was not allowed to attend the hearing and was brutally threatened. The judge rejected the defense lawyer's request for a medical examination of Chomiczki, and the case postponed. In the event of conviction, Chomiczki's previously suspended sentence of nine years may be enforced.

Also in February, Ludwik Werle, a metal worker and activist from Wroclaw who had been prematurely retired from the Railway Repair Works, was illegally interrogated for several hours in the local police headquarters and threatened with a charge of burglarizing the Wroclaw Polish State Railway office. He was later released after his photograph and fingerprints were taken.

What is the reason for all these actions? To begin answering that question we should point out the crisis that presently undermines the Polish economic, social and political life, serious shortages of basic consumer goods, the government's total inability to resolve mounting social problems and to define a policy of necessary political reforms. Discontent and frustration are widespread. On the other hand, we witnessed in Poland during the last three years the growth of a strong and articulate human rights movement and political opposition.

Both the government and the opposition try to gain control or the cooperation of the potentially most powerful social class in Poland, i.e., the blue collar worker. For the

government, it is a matter of regaining its once-deadly grip over the industrial workers by means of political and police apparatus penetrating every factory and enterprise. For the opposition, it is a matter of reaching workers with its message of necessary political changes and teaching them how to organize and defend themselves successfully. This fight is in its preliminary stages, but the Polish Communist regime remembers well how profoundly shaken it was by workers' unrest twice during the last decade (in 1970 and 1976). Unable to produce any constructive approach, and afraid of any positive change that would endanger their political monopoly, Polish Communists turn to the methods preferred by every dictatorship—psychological and physical terror.

The situation could be much worse if there were no strong social resistance against such measures. Fortunately, there is the powerful Catholic Church and the Polish human rights movement to speak out on behalf of the persecuted. The other important source of support for the victims of police measures can be Western public opinion.

Poland, with its heavy dependence on Western credits and technology, tries to maintain a relatively better record on human rights than its East European neighbors. Poland's Western friends must be aware of developments in Poland to be able to employ correct and helpful pressures. This is especially true in the present situation when after a period of relative restraint the Polish government seems to be moving closer to its Soviet masters.●

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1980

HON. CARLIS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mrs. COLLINS of Illinois. Mr. Speaker, today the House is expected to vote on the final passage of H.R. 7262, the Housing and Community Development Act of 1980.

As you know, this bill reauthorizes the community development block grant and urban development action grant programs through fiscal year 1983. Further, it eliminates hold-harmless grant provisions and reauthorizes numerous other rental, homeowner, and housing assistance programs in fiscal year 1981. This act establishes a new multifamily rental housing assistance program, amends the temporary mortgage assistance program, increases FHA mortgage limits, revises the section 701 comprehensive planning grant program, and reauthorizes rural housing assistance programs in fiscal year 1981.

Last year, a report on the condition of the housing of black Americans was issued by the Department of Housing and Urban Development. In the report entitled, "How Well Are We Housed?", the answer for blacks was, very badly and much worse than the total population. Over 21 percent of black housing, compared to 10 percent generally, was physically deficient in the basic necessities an individual rightfully expects. Distressingly, many black Americans live with holes in the floor

and walls, shared or nonexistent toilet and plumbing facilities, and kitchens without piped water or a refrigerator.

Although the study revealed that renters are twice as likely as homeowners to have deficient housing, 13 percent of all black owner-occupied housing is in this category. With little extra money to spend on home improvements, these persons have and can continue to greatly benefit from the section 312 program, which offers individuals low-cost loans for the rehabilitation of single and multifamily structures.

While H.R. 7262 authorizes the full amount requested by the administration for low-income housing, it does not direct the full amount to that group; instead, a portion will be used to fund middle-income rental housing.

The National Low Income Housing Coalition recently released a memorandum regarding the Housing and Community Development Act and I would like to share portions of that memo with you:

More than half of all poor families (those with incomes below the poverty level) live in rental housing. There are about eight million poor families or single individuals living alone. About five million of them are renters. Except for assisted housing (about 4 million rural and urban units have been provided for low and moderate income families since 1937), there is almost no decent, affordable housing available to them. Meanwhile, rents at the bottom of the market are rising far more rapidly than incomes.

While we recognize the need for rental housing for all income levels, we urge that low income people be given highest priority and that alternative means be found for funding middle-income programs. In this connection, we support use of Brooke-Cranston funding for rental housing: H.R. 7262 limits it to home ownership.

We strongly oppose the effort to exclude communities with rent control from the new program. If the program is to be enacted at all, it should, as provided in H.R. 7262, be integrated with local housing assistance plans and not encumbered by arbitrary restrictions. There are two basic causes of the rental housing crisis. First is the enormous attractiveness of home ownership for those who can afford it. People who can pay \$500 a month for housing (current rent for most new, unsubsidized units) don't rent, they buy. This limits the market for rental units. Second, at the bottom of the income scale, there is an absolute gap between the cost of operating rental housing and the amount low income people can pay. There are already at least 5 million low income renter households paying more than half their incomes for gross rent (including utilities). Many have incomes of less than \$400 per month. Several studies have indicated that moderate rent controls have had little or no impact on rental housing production. On the other hand, there are communities—even whole states—where rental production, even without rent control, is at a virtual standstill, except for federally assisted or financed projects.

Mr. Speaker, in light of this, it remains my position that the administration and legislators who stress fiscal conservatism at the expense of critically important low-income housing and employment programs would do well to reconsider their positions

before irreversible damage is done to the quality of life in our cities.●

AN INTERNATIONAL CONFRONTATION OVER MINERAL RESOURCES

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. SANTINI. Mr. Speaker, the need for a comprehensive national nonfuel minerals policy is now greater than ever in light of alarming developments concerning Soviet mineral resource behavior. In a dramatic turn of events, the Soviet Union has almost completely cut off exports of critical minerals to the West, in spite of its incessant need for hard currency. In several cases, the Soviet Union is now importing minerals which it was recently exporting.

Nonfuel minerals plays a crucial role in the economic vitality and national defense of our country. Unfortunately, we are increasing our dependence on foreign suppliers for our nonfuel minerals needs, without regard to the long-term consequences. We are jeopardizing our lifestyles and our security by failing to plan ahead for the availability of mineral resources in the future.

I have repeatedly stressed my belief that the conclusions reached in the administration's nonfuel minerals policy review are inaccurate and obfuscate the strategic dependence of the United States on foreign sources for mineral supplies. The review was based on the assumption that in the future the Soviet Union would continue to be self-sufficient in nonfuel minerals and an important supplier to the West. Clearly, this is not the case. In fact, it is more likely that the Soviet Union and the Comecon countries are headed toward confrontation with the United States and its allies over available resources. The failure of the review to properly assess the role of the Soviet Union within the worldwide supply/demand framework of nonfuel minerals is further admonition that the report is a dismal failure.

Mr. Speaker, I am inserting an article from *Fortune* magazine, dated July 28, 1980, in the RECORD:

RUSSIA'S SUDDEN REACH FOR RAW MATERIALS
(By Herbert E. Meyer)

The U.S. and its allies are on a collision course with the Soviet Union over access to strategic minerals.

This is the conclusion some business leaders and academic experts are drawing from a surprising change now taking place in the Soviet Union's minerals trading pattern. Soviet exports of certain minerals to the West are declining sharply. And the U.S.S.R.—widely regarded in the West as a long-term source of supply—has now begun to import strategic minerals for itself and its allies from countries whose output traditionally has gone mainly to the U.S. and its allies.

This new pattern is bad news for the West. It could well mean that our supplies of strategic minerals will tighten in coming years, sending prices upward and perhaps creating spot shortages. Some leading American businessmen even believe that the Russians have hit on a new, immensely effective technique for crippling Western industrial production, by cutting off supplies of some of the two dozen or so critical materials without which modern civilization cannot exist—and for which the West relies heavily on imports.

THE VIEW FROM PITTSBURGH

The new Soviet trading pattern is especially striking in light of that country's long-standing obsession with self-sufficiency. Until very recently, decades of tremendous effort appeared to have made the Soviet Union self-sufficient in all but about two or three strategic minerals. Only last summer, an interagency study group in the federal government sanguinely observed that although "the U.S.S.R. is an voracious consumer of its own considerable production, it is also becoming an important supplier to the U.S. and to other market economies."

All that may be changing. Last month, several hundred concerned executives of major U.S. companies, including a sprinkling of chief executives, crowded into a conference entitled "Resource War in 3-D," devoted heavily to an examination of the Soviet Union's new international posture on minerals (the three d's stood for dependency, diplomacy, and defense). One of the speakers at the conference, which was sponsored by the World Affairs Council of Pittsburgh, was Daniel I. Fine, a resources consultant at MIT's Mining and Mineral Research Institute, who told of some disturbing developments.

For years, the Soviet Union has been a major supplier to the West of chrome ore, which is crucial to making stainless steel. But shipments have dropped by 50 percent during the past two years, Fine told the conference. The U.S.S.R. is also one of the leading producers of manganese, essential in steelmaking, and asbestos, used in construction materials. It the case of these, too, exports to the West have fallen sharply. The same is true of the so-called platinum group of precious metals, which also includes palladium, rhodium, and osmium. Several of these have important industrial uses.

A CLAMPDOWN ON NEW CONTRACTS

Fine also reported, on the basis of his extensive contacts with metals traders, that in just the last few months the Russians have virtually stopped signing contracts with the West for the future delivery of several other critical materials. These include nickel, which is used in making stainless and other alloy steels; titanium, widely used in airframes and aircraft engines; vanadium, used among other things as a toughener of structural steel; and lead, which goes into everything from automobile batteries to nuclear shielding.

Meanwhile, said Fine, the U.S.S.R. has begun importing titanium, vanadium, and lead in significant quantities, even though it is still a net exporter of these items. Other new materials on the Soviet Union's buying list include beryllium, another metal toughener; tantalum, used mainly in electronic components; and lithium, needed for aluminum production.

This new pattern in Soviet minerals trading, Fine says, is not a passing phenomenon that can be explained by temporary shortages of key minerals within the U.S.S.R. or short-term speculation by Soviet trading organizations to take advantage of swings in world prices. On the contrary, he contends,

"it is more like the beginning of a historic shift. The mineral-resource balance of the U.S.S.R. is following oil into a new era of less-than-self-sufficiency."

MANGANESE AND HOGWASH

To anyone accustomed to thinking of the vast Soviet Union as one of the world's great mineral troves, this development seems downright bizarre. As the chart on page 43 shows, the U.S.S.R. has some of the world's largest reserves of several strategic items, and its undeveloped mineral resources—those not yet discovered or delineated as "reserves"—are still thought to be staggering.

Yet the growing dependence on imports may not be as paradoxical as it appears. In some cases, Soviet reserves may be overstated. Franz R. Dykstra, a Philadelphia minerals consultant, says Soviet figures on manganese reserves are "hogwash" because of the depletion of known ore bodies by heavy mining over the years. Partly because of this depletion, Dykstra says, the Eastern European block of countries, including the Soviet Union, had to import 400,000 tons of manganese ore last year. This year, he adds, those imports may reach 500,000 to 700,000 tons.

Some segments of the Soviet mining industry are in the same kind of squeeze that is afflicting the Soviet petroleum industry (see "Why We Should Worry About the Soviet Energy Crunch," *Fortune*, February 25). Production at existing sites is becoming costlier and more difficult as the richest deposits are skimmed off. In recent years, the grade of ore in Soviet chrome and manganese mines has declined, so more and more tons must be blasted and excavated to produce a given amount of metal. At the same time, Soviet efforts to discover and develop new, richer lodes have faltered because of chronic shortages of equipment and labor. No one suggests, however, that the Russians will soon experience a minerals shortfall to match the one that looms in oil.

Nevertheless, the Russians have been scrambling to develop foreign sources of supply. Significantly, they have been moving into Third World projects to fill the vacuum created by the withdrawal of Western mining consortia. In the past several years the Russians have negotiated, either on their own or through CMEA, the Eastern bloc Council of Mutual Economic Assistance, more than 27 technical- and economic-assistance agreements with Third World countries that produce strategic minerals or have deposits. The agreements vary, but in general they feature large-scale Soviet technical aid for exploration and development of new mines, with eventual payment in the form of recovered minerals.

Meanwhile, the Russians and their allies are gaining military footholds in places where they could one day cut off Western access to strategic minerals. One need only glance at a map of Africa to see that the countries containing vast reserves of strategic minerals are precisely those in and around which Russian, East German, and Cuban military personnel are stationed.

To some observers, all this suggests a concerted, long-term effort by the Soviet Union to starve the West of minerals. There are limitations, of course, on how fast the U.S.S.R. could do this without triggering a war. It could not simply buy up minerals right and left, because it has very little hard currency to spare for this purpose. But the Russians could obtain more and more minerals through barter arrangements, at which they are old hands. They may wind up doing more of this anyway, even if they don't plot to cut off the West's supply. They really appear to need minerals from over-

seas mines, many of which are far more efficient than their own.

THE STOCKPILES ARE LOW

It is scarcely an exaggeration to suggest that the West is every bit as vulnerable to chaos from a cutoff of strategic minerals as it is to an oil cutoff. The U.S. relies on imports for some or all of its consumption of at least 20 strategic minerals; we import 98 percent of our manganese and 90 percent of our chromium. Our allies are self-sufficient in hardly any of these raw materials.

Our ability to cope with any strategic-minerals cutoff, at least in the short run, is dangerously limited. The U.S. government does stockpile these minerals, and each stockpile is supposed to hold a three-year supply. But many now hold less than half the target amount. Our allies are in even worse shape.

A concerted drive is now under way in Europe and Japan, as well as the U.S., to place the strategic-minerals issue high on the public agenda. The drive is being led mainly by business leaders, such as those who gathered in Pittsburgh, rather than by government officials. Many of the executives who attended the Pittsburgh conference are outspoken in their worries about the Soviet Union's new international mineral maneuvers. One participant was Frank Shakespeare, former director of the United States Information Agency and now president of RKO General Inc. Said Shakespeare: "We have got ourselves a problem. When we jostle with Western Europe and Japan for strategic minerals—that's competition. When the Russians get into the act—that's war." ●

HOUSE ENDS SAVINGS WITHHOLDING SCHEME

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. ST GERMAIN. Mr. Speaker, vying for "Nonsense of the Year Award," the bureaucracy downtown has been valiantly promoting the idea of withholding income taxes on savings account interest.

The Treasury's plan was certain to create another paper blizzard, further depress an already alarmingly low savings rate among U.S. consumers, and do virtually nothing to improve income tax collections.

Today, the House put to rest these ill-considered plans by prohibiting the use of appropriated funds for the study or implementation of withholding on savings.

Mr. Speaker, as my colleagues know, I have long opposed the withholding of taxes on interest income as something which places unnecessary onerous burdens on the small saver and which creates additional problems in attempts to increase the Nation's level of savings. On May 12 of this year I addressed the National Association of Mutual Savings Banks on this subject and insert in the RECORD excerpts from the speech:

If we could get all of the elements of the Federal Government pulling together at the same time in the same direction, some of these new initiatives might have meaning. At times it seems like monetary policy, legislative policy, White House policy and regu-

latory policy are all running off on different routes—something that does nothing to promote long range stability for your industry.

Nowhere is this multi-headed approach more evident than in the policy suggestions on how to encourage more savings. For months, the Congress struggled for a means of promoting more savings; for a means of giving the smaller saver more incentives for leaving funds in depository institutions. We passed a phase-out of Regulation Q that will make savings accounts more attractive; the Ways and Means Committee provided for a \$200 exclusion on interest income; and the supervisory agencies came up with more flexible savings instruments.

All of this made a lot of sense against the backdrop of a nation with an alarmingly low savings rate. For example, the Federal Reserve estimates that the savings rate in the U.S. was only 4.3 percent of disposable income during the third quarter of 1979. This was less than half the rate of our neighbor to the north, Canada, during the same period. Compared to savings rates in Europe, the disparity is even greater . . . West Germany had a savings rate of almost 14 percent and the United Kingdom, 17 percent.

Against the background of these numbers and the growing efforts to encourage savings, someone, somewhere in the Carter Administration came up with the brilliant idea that we should suddenly impose a brand new impediment to savings—a 15 percent withholding tax on interest paid on savings account.

With all the tax loopholes, all the tax dodges lying around, the bureaucrats decided this was just the place to start turning the screws, increasing the paperwork and discouraging the small saver.

Presumably the proposal is being made to control evasion of taxes on interest. But, the promoters seldom mention that the Internal Revenue Service already receives from all financial institutions reports of interest payments on the 1099 forms. If these reports, devised by the IRS itself, are utilized and properly placed in the computer program, there is no way that taxes are going to be evaded.

It is entirely possible that the IRS has so fouled up its program that these are not being properly used by the agency. But, the Government ought to get its house in order and it ought not to ask financial institutions and most importantly, savers, to pay the penalty for IRS inefficiency.

The withholding of taxes on interest is a bad idea whose time should never come. The proposal calls for withholding 15 percent across the board—on the little savings account as well as the jumbo CD accounts. This means that the senior citizens who maintain modest savings accounts will have 15 percent of their interest siphoned off by the Federal Government—even though they will at the year's end owe no taxes.

Sure, these savers can file for a refund or they can fill out still another form seeking an exemption from withholding on the grounds they won't owe taxes. But, all of this is extra paperwork and much more onerous than the bureaucrats realize.

In addition to all the little problems this adds for the already harried individual taxpayer, I am also concerned about the drain that this represents from the thrift industry and ultimately from the housing market. At the moment these funds—which would be drained off by withholding payments to the Treasury—remain on deposit in financial institutions. At a time when we are trying to increase the flow of funds, to prop up a sagging housing market, and to make savings more attractive, this withholding proposal is Example Number One of why the people

wonder whether Washington's right knows what its left hand is doing at any given moment.

With this withholding proposal already underway, President Carter on March 31 told those of us who were at the White House for the signing of the omnibus banking bill: "Most significant of all, perhaps, it can help improve our Nation's very low savings rate. Now not much more than 3 percent of earnings go into savings, perhaps the lowest rate in the last 30 years. And of course, this small savings rate has been a major factor in increased inflation. This encouragement of savings is important not only to consumers but also to financial institutions in the breadth of our financial system."

I would urge that the President have his assistants copy his message and make certain that everyone—right down to the lowest bureaucrat—at Treasury and the IRS reads this paragraph. I would like to know how IRS can square their promotion of withholding with the President's very clear policy statement in favor of encouraging savings.

My friends, I do not think the Congress is going to buy withholding on savings accounts or any other idea to discourage savings and make taxpaying any more difficult for the average citizen.●

RETIREMENT INCOME AND THE CPI

HON. DONALD JOSEPH ALBOSTA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. ALBOSTA. Mr. Speaker, in recent months a number of public officials, including some Members of Congress, have questioned the accuracy of the Labor Department's Consumer Price Index (CPI) as a measure of inflation. One of their concerns is that the index overstates the rates of inflation for certain groups like the elderly. In fact, it has even been suggested that use of the CPI as a mechanism for adjusting Federal programs for the elderly often results in over-compensation for recipients of social security and retirement programs.

For the information of my colleagues, I am submitting for the RECORD a summary of a study conducted by the American Association of Retired Persons and Data Resources Inc. which explains the true cost of living for elderly America. After reviewing this material along with other studies and articles on this issue, I am convinced that we do a great disservice to the older citizens of this country by encouraging the notion that the elderly are somehow getting more than they are entitled to under these programs.

Mr. Speaker, I am very concerned that the Office of Management and Budget appears to be planning to make proposals of this nature prior to consideration of next year's budget resolution. Such a proposal, it seems to me, would fly in the face of our commitments to maintain adequate re-

tirement programs, while needlessly alarming the Nation's elderly that we in Washington are about to reduce their hard-earned benefits on which they depend for their livelihood.

Mr. Speaker, I urge those who will be our conferees on this reconciliation legislation to include language in their report affirming congressional intent to maintain benefits at 100 percent of the Consumer Price Index.

The study follows:

THE DRI (DATA RESOURCES INC.) NRTA-AARP STUDY ON INFLATION AND THE ELDERLY INTRODUCTION

A recently released report of interest to the elderly has been receiving considerable media attention. This report is the NRTA-AARP-sponsored study entitled "Inflation and the Elderly."

The NRTA-AARP has been very concerned with the impact inflation has been having on the elderly's economic well-being. For this reason, reducing the rate of inflation and protecting the elderly from its impact have been our legislative goals. Recently, media stories have been alleging that, despite inflation, the elderly are making substantial gains in their economic status and have been implying that the elderly can now afford to make sacrifices such as giving up some of the cost-of-living protection provided by the social security system.

This theme—the elderly are doing well in an inflationary environment—seemed to us to distort what we observed to be a steady deterioration in the elderly's economic situation. Therefore, we were motivated to contract with Data Resources, Inc. (DRI) to conduct a thorough study of exactly how inflation has affected the elderly's income, wealth/assets, and expenditure patterns over the past decade. DRI was also asked to forecast how the future economic environment will affect their status.

We believe that the recently released results of the DRI study will be valuable to you in your work as an Association volunteer. The following discussion of the study's results is divided into three sections: Income, wealth/assets, and expenditure patterns. Within each of these sections, a historical view and a forecast for the future is presented. The fourth and final section discusses the policy implications which are drawn from the study's results and provides recommendations for future action on relevant legislative issues, such as social security, health care coverage, and the need for increased labor force participation.

INCOME: PAST DECADE

During the period 1967 through 1976, average elderly income managed to keep pace with and slightly exceed the inflation rate. Average elderly income rose at an annual rate greater than the Consumer Price Index (CPI), 7.7 percent versus 6.1 percent. This was in large part due to the significant growth and expansion of Federal programs, especially social security, and the creation of new programs such as Medicare and the Supplemental Security Income (SSI) program. Much of the impetus for those positive changes came from the extremely adverse economic status which the elderly experienced in the mid-1960's when one-third of them were living below the poverty line.

Additionally, whereas in 1955, the average income of those over age 65 was about 55 percent of the average income of the non-elderly, this figure had dropped to 48 percent by 1965, largely because of the decline in el-

derly labor force participation. Generally, the increases made in the public income programs have helped to raise many elderly over the poverty threshold. In 1976, the percentage of elderly in poverty was about 14 percent and the average income of the elderly relative to the non-elderly was about 52 percent—about where it was in the mid-1950's.

INCOME: FUTURE DECADE

Although discernible gains in the incomes of the elderly have been made during the last decade, this trend is not likely to continue in the future because we are not likely to witness the dramatic growth in government programs benefitting the elderly nor the creation of new and costly programs. But inflation is expected to continue with its attendant erosive effects on the elderly's standard of living. It is projected that the real incomes of the elderly will grow, but at a much slower rate than previously and that the elderly will again lose ground relative to the non-elderly population.

ASSETS/WEALTH: PAST DECADE

For the 1967-1976 period, the elderly fared very poorly when one considers the effect of inflation on their assets: savings, stocks/bonds, private pensions, and home ownership. According to the DRI Study, inflation clearly eroded the assets of the elderly. Interest rates for small savers did not keep pace with inflation. Similarly, the rate of return on stock and bond investments often fell below the rate of inflation. Inflation has also wreaked havoc with private pensions because most plans do not provide automatic or full cost of living adjustments. The non-indexed pension of a 1979 retiree is now worth about one-half of what it was in 1970.

Finally, with regard to assets, the one hedge against inflation for the elderly is commonly considered to be home ownership, an appreciating asset. In 1968, over 60 percent of persons aged 58-63 did own homes. But, although the value (equity) of a home increases during periods of inflation, the only way to realize this gain is to sell the home. Moreover, although equity is being accrued through ownership, the immediate costs of owning a home, particularly fuel and utility costs, property insurances and property taxes, continue to rise at a rate faster than that of the general CPI.

ASSETS/WEALTH: FUTURE DECADE

As long as high rates of inflation continue and the elderly continue to hold dollar denominated assets which are extremely vulnerable to inflation, the future looks bleak. As inflation confiscates the assets and wealth of the elderly, more and more persons will find themselves less able to depend on their own assets and savings for income and instead, will be increasingly dependent on public programs for income support.

EXPENDITURE PATTERNS: PAST DECADE

Since 1970, the cost of living for the elderly has risen faster than the cost of living for non-elderly consumers, increasing at an annual rate of 8.4 percent for the elderly compared to 7.2 percent for the non-elderly. Since the average income of an elderly person is only about one-half that of a non-elderly person, the elderly concentrate their expenditures on the core necessities such as fuel and utilities, medical care and food at home. Over the last decade, rises in prices of these commodities have exceeded the general CPI.

EXPENDITURE PATTERNS: FUTURE DECADE

Again, the future does not look bright for elderly consumers. It appears that rapid

price increases in the core necessities will continue to make it difficult for the aged to make ends meet, particularly since energy and health care costs are expected to keep escalating.

POLICY IMPLICATIONS

With this concrete data in hand, we find that a number of policy implications become evident. First, in the current economic environment of high rates of inflation and low economic growth, we cannot expect that public programs will be expanded or new programs will be initiated as occurred in the 1960's and 1970's. The social security system, which is the cornerstone of the elderly's income, is already facing financial difficulties due to adverse economic conditions. In this atmosphere, then, it is essential that present programs at least be maintained at their current levels and protected from action which would result in cutbacks of benefits to the elderly. Any cutbacks, combined with the continuing erosive effect of inflation on the aged's income, would prompt a rapid deterioration in the elderly's standard of living as well as a resurgence of poverty. For this reason, our Associations would oppose any proposed cutbacks, especially Federal taxation of social security benefits or tampering with the cost of living adjustment in social security benefits.

With regard to the expenditure patterns of the elderly, a special Consumer Price Index (CPI) for the elderly ought to be developed and used to index the major income support programs which benefit older persons. The special CPI would be constructed to reflect the aged's specific expenditure pattern which are concentrated on core necessities—food, fuel and medical care. Also, as discussed earlier, medical care, with its escalating costs, is one of the areas in which elderly expenditures are concentrated. The costs of medical care must be contained. As you know, we strongly supported the administration's hospital cost containment legislation, and we are continuing to pursue legislative remedies in this regard. Additionally, changes in Medicare reimbursement practices are sorely needed in order to reduce the out-of-pocket expenditures of the elderly, and the long-term care needs of the elderly must be addressed by the Medicare program.

As has been shown, the elderly are not inflation-proof. If all of these policy changes are made, the elderly of this nation would be substantially aided. However, the mainly compensatory measures do not directly address the root of the problem—the high rate of inflation. In order to better guarantee a secure economic position for the elderly, the rate of inflation must be reduced and not merely by a point or two, but rather reduced substantially to a maximum rate of 3 percent and kept there.●

REDEDICATION OF SOLDIERS' MONUMENT

HON. WILLIAM J. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. STANTON. Mr. Speaker, on July 4, 1980, it was my privilege to participate in the rededication of the Soldiers' Monument in my home city of

Painesville, Ohio. This Soldiers' Monument was originally dedicated by Congressman James A. Garfield on July 3, 1880.

The Lake County Historical Society staged a very appropriate ceremony in memory of this great day 100 years ago. The music was provided by the Harvey High School Summer Band of Painesville. Mr. Jack Daniels, a very prominent citizen of Lake County and known as our county historian, did an outstanding job as master of ceremonies. Rev. Dr. Alva W. Taylor, pastor of the Painesville United Methodist Church, gave the opening prayer and benediction. Also participating were Dr. Charles E. P. Simmons, president of Lake Erie College; Commissioner John F. Platz, president of the Board of Lake County Commissioners; Mr. Al Henderson, speaking in the spirit of James A. Garfield; Thorn Pendleton, retiring chairman of the board of Hiram College and myself. Following are brief excerpts from their remarks:

Commissioner John Platz:

We are here today to rededicate this memorial and to once again remind everyone that freedom is not free and all of us have a corresponding duty for each and every right we enjoy * * *. Let us all, here and now, rededicate ourselves to the principles symbolized by this monument * * * let us all remember to do our duty and to honor our nation and the ideals and freedoms it stands for.

Al Henderson, quoting James A. Garfield at the original dedication 100 years ago:

What does the monument mean? Oh, the monument means a world of memories, a world of deeds, a world of tears, and a world of glories * * *. All the blood that was shed, all the lives that were thus devoted, all the grief and tears, at last crystallized itself into granite and rendered immortal the truths for which they died. And it stands here today, and that is what your monument means.

Thorn Pendleton gave a biographical sketch of Garfield:

He was reared in a family dedicated to the beliefs of the Disciples of Christ; his keen mind was attracted to the promise of learning which he saw at the Western Reserve Eclectic Institute, which was the original name of what is now Hiram College * * *. Garfield completed two years there. After finishing college in Massachusetts, he returned to become the second president of Hiram, while still in his twenties * * *. He was a distinguished soldier. Enlisting in the Civil War, he rose through the ranks to become a general—and a remarkably able one * * *. Garfield was a statesman. He served his northeastern Ohio district faithfully and imaginatively after the war * * *. It was Garfield's record of ability in government that focused the attention of his party on Garfield when it turned to him in the convention of 1880.

Congressman William Stanton:

If the soldier on this monument could speak, he would tell us this afternoon to love the land for which he and his comrades suffered and died. He would tell us to bring into the service of our country, in peace or in war, a devotion that knows no bounds. This monument is testimony to the millions of Americans who contributed to the glory of our country, who assisted in protecting the rights of humanity, who aided in keeping open the doors of opportunity for the

poor and the oppressed of all nations. They went forth under the stars and stripes that stand for the liberty of the human race and our memory of them is a benediction.●

IMPROVING RELATIONS BETWEEN INDUSTRY AND GOVERNMENT

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. RITTER. Mr. Speaker, we all recognize the need for a better working relationship between private industry and the Federal Government. Clearly, it is not only desirable, but vital if the private sector is to remain healthy and productive.

It is always impressive to see when such a mutually beneficial relationship has been reached between industry and Government. This has certainly been the case with the Air Products & Chemicals, Inc. located in my district, in Allentown, Pa.

The history of Air Products & Chemicals, Inc. proves that Government can help to evolve leading edges of private industry with a creative research and development approach; an approach that looks forward to the eventual enterprise being totally independent, providing new jobs and new products for the American people.

Today, an article appeared on the front page of the New York Times business section portraying the development and growth of a healthy and positive relationship between an American industrial innovator and the Federal Government.

I commend this article to the attention of my colleagues:

[From the New York Times, Aug. 19, 1980]

WORKING WITH THE GOVERNMENT

ALLENTOWN, PA.—Edward Donley, chairman and chief executive officer of Air Products and Chemicals Inc., says he firmly believes that government and business can work together to the common benefit of both. The track record of his company supports his theory.

Air Products, a supplier of industrial gases and chemicals that is based in Allentown, Pa., has a long and apparently successful history of joint ventures with the Federal Government. What started as a 17-employee operation in 1940, with annual sales of \$8,000, is today an international corporation with 15,000 employees, sales last year of \$1.23 billion, and an average compounded annual growth rate of 20 percent over the past decade.

Mr. Donley attributes his company's success to two major factors: the skills to attract and retain top talent, and the ability to convince the Government to finance research projects. Some \$10 million to \$15 million of this year's \$50 million research and development budget is being paid for by the United States Government.

The company's latest such venture is a \$1.5 billion demonstration refinery to be built near Newman, Ky., by Air Products and its partner, Wheelabrator-Frye Inc., to produce synthetic fuels from coal. Mr. Donley calls the search for new uses of coal "this decade's No. 1 research priority."

Robert Hardiman, a research analyst with Merrill Lynch, Pierce, Fenner & Smith Inc., said the diversification into synthetic fuels would help assure the company's earnings growth. "With a lot of growth companies," he said, "you assume they will keep doing what they're doing and cross your fingers. Air Products has a major new market that is identifiable."

Air Products is hoping that the project will turn out as well as an earlier venture with the Government. When liquid hydrogen was needed as a rocket fuel for the space program in the 1960's, the company designed and built the country's first plant to produce the gas. The Government got its hydrogen, and Air Products gained the technology that now makes hydrogen one of its most profitable products. Air Products now has a \$287 million contract to supply the fuel for a space shuttle.

Under the agreement for the synthetic fuel refinery signed with the Department of Energy this month, Air Products and Wheelabrator-Frye Inc., a Hampton, N.H., energy and environmental concern, will each contribute \$45 million. Kentucky will pay \$30 million, and the rest of the \$1.5 billion project cost will be picked up by the Energy Department.

Construction is to begin next spring; the plant is expected to be on line by 1984. It will produce a synthetic fuel called solvent refined coal (SRC) with the energy equivalent of 20,000 barrels of crude oil daily from 6,000 tons of coal. The sulfur and ash will be removed from the coal, leaving a clean-burning boiler fuel and other useful synthetic products.

About 10 percent of the company's 750 scientists and technologists work on coal-related research and development; the company began research on synthetic fuels about 10 years ago, a spokesman said.

Air Products and its partners will eventually buy out the Government's share and expand the plant fivefold to make synthetic fuels commercially.

Mr. Donley's formula for success is straightforward: Find a project that has the potential to be profitable, think of a way for it to satisfy an objective of a Government agency, and work out a deal whereby the Government pays for the research but eventually pulls out and leaves the field to private industry.

HASTE CONSIDERED NECESSARY

Government participation in the refined coal project is necessary because of the risks, Mr. Donley said. The process, though proven in the laboratory, has not yet been used on so large a scale. According to Mr. Donley, the national policy aimed at quickly cutting dependence on foreign oil necessitates haste.

Air Products says it will seek a Government loan or price guarantees to attract private investment when the time comes to buy the Government's share. In its view, the volatility of the international oil situation makes that necessary. The commercial appeal of synthetic fuels would likely melt away if, for any reason, the price of oil on world markets were to fall.

Wheelabrator-Frye and Air Products have formed the International Coal Refining Company to carry out the SRC project. Other likely partners in the venture include the Aluminum Company of America and the Cities Service Company, both of which are now holding talks with I.C.R. officials.

Even if the SRC process proves to be inferior to others now being tested with Government support by Gulf, Exxon and Ashland Oil, Air Products stands to benefit from the synthetic fuels industry. The basic synthetic fuels process requires huge amounts of

oxygen, a mainstay of the company's business. Even the most conservative national synthetic fuels program would require an increase in United States oxygen-producing capacity.

INDUSTRIAL GASES PRODUCTION

The largest part of Air Products' operations, about 47 percent of sales last year, is industrial gases such as oxygen, nitrogen, argon, helium, hydrogen and carbon dioxide. Air Products is the largest producer of industrial gases in Europe, and second-largest in the United States, behind the Linde division of Union Carbide.

Air Products' chemical lines, which account for 32 percent of sales, include petrochemical substances used in adhesives, coatings, textiles, molded plastics and agricultural products. The division's profits and sales rose slightly in 1979, but the company concedes they were not as good as expected, curbed by startup costs for new plants.

Synthetic fuels will be a major part of the company's future operations, Mr. Donley said, but he has already set his sights on new horizons. Among its research projects are other alternative energy sources. It recently finished a study, for instance, of windmills as electricity sources. The mills were efficient, it concluded, but they would not be cost-effective today. That does not concern Mr. Donley, though. An engineer at heart, he is thinking about ways to build a better windmill. ●

LOCAL OPTION AMENDMENT GAINS SUPPORT

HON. JOHN J. CAVANAUGH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● **Mr. CAVANAUGH.** Mr. Speaker, yesterday I offered an amendment to H.R. 6417, the Surface Transportation Act of 1980, that would permit local transit agencies to operate door-to-door van programs as part of a multimodal transportation system to meet the special needs of the handicapped. Today I received a letter from Mrs. Kay Neil, whose testimony before the Surface Transportation Subcommittee was perhaps crucial to that subcommittee's adoption of the Cleveland amendment. Mrs. Neil is a member of the President's Committee on the Employment of the Handicapped and the National Architectural and Transportation Barriers Compliance Board as well as former chairman of the Omaha Mayor's Advisory Committee on the Handicapped and the Nebraska Governor's Committee on the Employment of the Handicapped. Her letter is reprinted below:

OMAHA, NEBR.,
August 15, 1980.

Congressman JOHN CAVANAUGH,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CAVANAUGH: As you know, I have worked long and hard regarding the local option amendment which fortunately appears in H.R. 6417.

Congressman Cleveland extended effort and reputation on the existing Section 223 and it is a fine example of the local option. I have also read and studied the Cavanaugh amendment and find it a fine version of the local option. I would be happy to support

the Cavanaugh amendment and work for its inclusion.

The end result is that a solid amendment for local option—thusly becoming a part of H.R. 6417—and ending the constant struggle between handicapped groups and the Congress on what is the best way to address and eventually solve transportation for the handicapped and elderly. We need to get on with the actual transporting of these people.

Thank you for taking the time and energy to devote to this very difficult problem.

Sincerely,

MRS. KAY NEIL. ●

THE GEOTHERMAL CONNECTION

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● **Mr. SANTINI.** Mr. Speaker, with discussions focusing on means of alleviating our oil and gas dependence, I want to reiterate the positive contribution of geothermal resources in attaining our goal. By 1990, the United States could be producing the equivalent of 180 million barrels of oil from our geothermal resources. The use of geothermal resources for generation of electricity began in 1960 at The Geysers in California with an 11,000 kilowatt plant. It has expanded steadily to the extent that it now produces 800,000 kilowatts.

The following article from the July 16, 1980, Reno Evening Gazette highlights the importance and progress of geothermal development at The Geysers. Numerous other projects are proceeding in other areas of the country, but if we are to realize the full potential of geothermal, we must reduce the roadblocks imposed by Government rules and regulations.

On February 11, 1980, the House expressed its desire to expedite geothermal exploration and development by passing H.R. 6080, which had been carefully drafted to remove the existing impediments. The Senate has sent to the House a different version of our geothermal bill. Although the Senate-passed legislation contains many provisions that would remove impediments, it also contains concepts that would create new impediments. I am hopeful that we can arrive at a final legislative product that speeds the success of geothermal exploration and development.

I urge my colleagues to read the Gazette article on the tremendous potential of geothermal resources:

[From the Reno Evening Gazette, July 16, 1980]

CALIFORNIA SETS GEOTHERMAL POWER EXAMPLE

(By David Einstein)

THE GEYSERS, CALIF.—This rugged area of Northern California was once called the "Gates of Hell," a fitting name for a spot where steam roared from the earth and filled the air with the stench of fire and brimstone.

But the name was coined a century ago, long before scientists understood—or knew how to use—geothermal power.

Today, The Geysers ranks as the largest geothermal installation in the world, producing power that is relatively inexpensive and environmentally safe.

Steam still jets into the air, but now it is harnessed in power plants that produce about 7 percent of the electric capacity of Pacific Gas & Electric, Northern California's major utility.

A complex and costly system of mufflers and deodorizers stifles the roar of the steam and its stink of hydrogen sulfide.

"It's too much of a resource and has too much of a potential that you can't afford not to be in there," said Roger Wall, staff geologist for Aminoil, the Houston-based energy arm of R. J. Reynolds.

Aminoil supplies steam for Unit 13, which PG&E opened at The Geysers in May. From a cautious beginning—an 11,000-kilowatt plant that went on stream in 1960—The Geysers has grown to include 14 plants with a capacity of 800,000 kilowatts.

The 135,000-kilowatt Unit 13 looms like a giant's factory amid the brush and trees some 100 miles north of San Francisco. Two 90,000-horsepower turbines each hour gulp some 2.7 million pounds of steam fed through five miles of pipeline from 21 wells.

Once spent, the steam is condensed in a giant tower and reinjected into the ground. Some 20 percent of the steam that is used—2 million gallons a day—is recycled this way.

Geothermal power is not new. Roman documents 2,000 years old tell of a steam field at what is now Larderello, which was harnessed for industrial heating in the 19th century.

Today, Italy, New Zealand, the Philippines, Russia, Iceland and Japan use geothermal power, while the United States has 24 states where the conditions are right for geothermal energy of some sort. Plants are already in operation or planned in Idaho, New Mexico, Nevada, Utah, Texas and Maryland.

But all other facilities are dwarfed by The Geysers.

Back in 1847, occasional puffs of steam came out of the ground just south of Cobb Mountain in Lake County. Explorer William Bell Elliott told friends after a trip to The Geysers that he thought he had come upon "the gates of hell" themselves.

What he had seen was the result of geological conditions present in only a few areas on Earth, most of them ringing the Pacific Basin.

Here molten rock called magma, which elsewhere, boils some 20 miles beneath the Earth's crust, rises to within five miles of the surface. The magma heats the rock above, and if underground water is present, it will sometimes rise to the surface as hot water or, in rare cases, natural, dry steam.

By not having to use other fuel to heat water to make steam, PG&E estimates it will save the equivalent of 1.4 million barrels of oil a year for Unit 13 alone. PG&E estimates the cost of operating and maintaining Unit 13 will be 50 percent less than for a comparable oil or gas-fueled plant.

Indeed, geothermal power is cheaper than oil or gas, although it costs more than hydroelectric or nuclear, according to PG&E. But it becomes economical only when the machinery to exploit it is in place—and that equipment is tremendously expensive.

To make the steam at The Geysers marketable, wells had to be drilled—wells averaging a depth of 8,500 feet and costing \$1 million apiece.

The 21 wells feeding Unit 13, the five miles of pipeline needed to deliver the steam and the system to inject used water

back into the reservoir were built by Aminoil for about \$40 million.

Unit 13 cost PG&E \$52.8 million.

Unlike gas and oil exploration, which can lead to profits in a matter of months, geothermal development takes years. And there is also the risk that wells will not produce at all.

Private companies like Aminoil take the risk, but public utilities like PG&E will not.

"As a regulated public utility, we are responsible for providing reliable electric service to our customers at the most economical cost," said PG&E spokeswoman Jan Miller. "Because drilling operations for oil, gas or geothermal are very high risk and big capital investments, we are essentially prohibited from being involved in these ventures."

One factor which makes geothermal power attractive is that a reservoir like that beneath The Geysers is expected to last at least 30 years.

"You can't say that for gas or oil," said Wall.

TOWARD A NEW FEDERAL ROLE IN URBAN REDEVELOPMENT—A POLICY OF OPPORTUNITY DEVELOPMENT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. GARCIA. Mr. Speaker, it is indeed a personal pleasure for me to appear before the Congress today in order to discuss the general state of America's cities.

It is difficult, I think, to offer generalizations about any subject as vast and complex as is the American city. Were someone cheerily to make the blanket statement that our cities are thriving, for example, I would angrily walk with him through the rubble-strewn streets of my congressional district, the South Bronx portion of New York City, and point out as many abandoned buildings, burned-out businesses, truant children, unemployed adults, dilapidated apartment houses, and dangerous street gangs as were necessary to bring tears to his eyes and anguish to his soul.

If that same person were then to tell me with sadness that there is no hope for these inner-city people, I would impatiently walk with him to the numerous self-help projects scattered throughout my district where the black and Hispanic poor—so often denigrated by those in no position to know them—are in reality proving themselves to be the greatest and most unsung heroes of our age as they refashion their community and rebuild their own lives brick by brick and cinderblock by cinderblock. Their heroism in the face of daily crime, a sick economy, bureaucratic inertia, and dogmatic and facile political attitudes toward them would serve to inspire, I am sure, my observant companion.

If that same companion, however, were to argue that such efforts were doomed by the decline evident in all directions, I would walk with him to

the nearest subway, sidestepping the litter, the alcoholics, and the occasional drug addict, and ride the train for no more than 5 minutes. There, within the same city and less than 2 miles from the devastated scene which earlier brought tears to his eyes, I would watch my companion's eyes light up with astonished delight as the two of us departed the subway in wondrously awesome and diverse midtown Manhattan. Once there, after walking past the continental sidewalk cafes, the modern skyscrapers, the chic plazas, the fabulously expensive boutiques, the renowned museums, and the exciting Broadway shows, if my companion were to state that my city was truly wonderful, I would take him back to my district, force him to watch a 50-year-old building burn to the ground as a result of arson, make him continue to watch in horror as teenagers and young children hurl rock after rock at the arriving firemen, and then ask him to tell me just how wonderful the city is.

Mr. Speaker, I have known for some time what my imaginary friend has recently learned—it is as useless for any of us to speak of an urban crisis as it is for us to speak of an urban renaissance. I know that each of these phrases has been bandied about and, frankly, I believe that each phrase is as emotionally charged as it is thoroughly void of intellectual substance.

This is not to say, or course, that our patent inability to characterize the state of urban America must of necessity yield to an inability on our part to analyze urban conditions. Far from it. I do believe, however, that if we are to be true to the spirit of our great urban heroes of today—the inner-city residents who thrive on a spirit of community, cooperation, and enterprise—then we must be as precise as is possible in our thinking about what the Federal Government can and cannot do to help our cities. Specifically, we must understand that for certain policy purposes the three areas visited by my imaginary friend—tragically declined, hopefully heroic, and fabulously exciting—are part of the same economic entity and for certain other purposes the three areas are absolutely unique.

As I shall explain in these remarks, when viewed in the former context, national economic policy is of greatest significance. When viewed in the latter context, targeted tax policy is of greatest significance.

Jurisdictionally, of course, the three areas of my city are part of the same metropolis, but I am referring to something more important for our purposes, however. Each seemingly different area is part of the same economy—local, regional, and national—and to the extent that Federal economic policymakers devise policies which pit city against city, State against State, and region against region all of our cities, States, and regions will lose. When growth is encouraged in the Sun Belt

through the relocation of businesses formerly located in the Northeast, when mayors must devote their time to lobbying the Federal Government for a share of scarce resources instead of governing their communities, when such policies as planned shrinkage gain currency in cities which face opportunity losses instead of gains, then I submit that all of our cities, large and small, are the losers despite any apparent signs to the contrary in some of those cities.

The great principle of urban development throughout the history of the world, I would argue, is that people move from areas of less opportunity to areas of greater opportunity. I urge the Members of this Congress to keep this principle firmly in mind at all times, just as I urge my fellow members of the House Subcommittee on Housing and Community Development to do likewise. I would contend further that the opportunities need not be economic alone, or even primarily. How else can one explain the eagerness of economically comfortable Jewish scientists to depart the Soviet Union for a rigorous life in Israel other than to conclude that freedom of religion and the right to practice freely their profession is of utmost importance to them? How else can one explain the boatloads of Haitians and Cubans, initially willing to face difficult lives, who nevertheless surge into our country other than to conclude that we offer something which these people never had? Indeed, how else can one explain in its entirety the history of the United States and its cities, villages, and towns other than by reference to this great principle which equates urban development with opportunity development?

Permit me to state my point once again, for it is crucially important. The great principle of urban development throughout the history of the world is that people move from areas of less opportunity to areas of greater opportunity.

Let us not be so blinded by the modern alphabet soup of Government and its programs vitally important as they are—HUD, EDA, IRS, DOT, DOL, UDAG, CDBG, et cetera—that we forget the simple truth that the history of urban development is the history of opportunity development. To the extent that a Government program increases the opportunities of some or all Americans without correspondingly decreasing the opportunities of any Americans, then that program has provided us with an example of the proper role of Government in bringing about American urban development, that is, opportunity enhancement not limited to a particular place but instead resulting in enhanced opportunities facing the Nation as a whole. And, to the extent that we pit any aggregation of Americans against another, to that extent we have American urban antidevelopmental policies.

How do we attain the former and avoid the latter. This, it seems to me, is the most significant question faced by this Congress. It requires a recognition by the members of this committee that the seemingly separate issues of urban redevelopment and the enhancement of national productivity are exactly one and the same.

We attain the former and avoid the latter approach by recognizing that any policy which provides for the economic growth of our entire Nation without accomplishing this at the expense of any part of our Nation is by far the boldest, most innovative, least costly, least bureaucratic, and most efficient urban policy this Nation could possibly hope to devise. There is only one way that the three very different areas of my city which I described earlier can thrive simultaneously as they frankly are not doing now: Through national growth policies designed to make all parts of our land highly productive once again. There is only one way that my city and the Midwestern farm areas which feed it can thrive simultaneously as they frankly are not doing now; through national growth policies designed to make all parts of our land highly productive once again. And there is only one way that the South Bronx of the United States will ever be able to capture the enterprising spirit of their residents whose affection for their homes is so great that they have not left them during these hard times; through national growth policies designed to make all parts of our land highly productive once again.

This, then, is the first reason for my identification of urban development with opportunity development.

What are some of the policies which must be followed if we are to achieve these National growth policies? Mr. Speaker, I have already stated that any policy which provides for the economic growth of our entire Nation without accomplishing this at the expense of any part of our Nation is such a policy. A few specific examples come to mind:

Strict enforcement of our civil rights statutes provides for the expansion of minority involvement in the Nation's economy and does not require any lessened majority involvement.

Assistance by the Government of already existing regional industries, such as the auto industry, and the employment and business spinoffs derived from such assistance, provide for the economic growth of our Nation when such assistance does not mandate or otherwise make more likely the shift of an industry from one region to another.

Vigorous and fair enforcement by governments of both express and implied contracts lawfully entered into by various parties provides for the mutual, cooperative economic growth of our Nation's consumers and producers without resort to the perversely competitive "either-or" atmosphere

which now characterizes public and legal discussion on this subject.

Government loans for new businesses provide for the economic growth of our Nation when, combined with comparable private sector activity, all areas of the country are recipients of loans for new commercial development.

Expanded urban homesteading, shopsteading, and lotsteading programs provide housing, jobs, and site preparation for further developmental activities in places where these now do not exist without depleting scarce resources from other areas which may also require additional housing, jobs, and site preparation.

Finally, a National Development Bank would go far toward providing credit to those living or working in areas which for the most part are not in competition with the recipients of credit from more traditional sources.

It seems to me, therefore, that above all the Federal Government primarily must not view cities as places where the rich or poor or middle-class live—specially developing whichever program it feels best suits the needs of a particular group, important as these programs often are—but rather as places which require exactly the same levels of opportunity as are found everywhere else. To the extent that there are discrepancies in the opportunities which exist within cities—as in my city—or among cities, suburbs, and rural areas, to that extent our Nation as a whole is impoverished. When people migrate from one place to another solely because they face no opportunity for advancement of any sort where they are, our Nation as a whole is impoverished by the lack of choices offered its citizens. But, to the extent that people migrate from one place to another not because they face no opportunities where they are but because they prefer instead the different opportunities found elsewhere, our Nation as a whole is enriched by its diversity of choice.

In other words, stated at its most basic, just as the great principle of urban development is opportunity development, so too is the great principle of opportunity development private sector development. For it is only in the private sector that any lasting sense of accomplishment and belonging will occur, and it is only in the private sector that assets may be accumulated and a Nation's wealth created. Thus, although the maintenance of a vigorous, productive private economy is critically necessary for all Americans if our cities are to thrive, in one respect it is even more necessary for the rural and central city poor. For a productive private sector represents the only institution in society capable of permitting the poor to escape their poverty; a weak private sector simply does not offer them that opportunity.

It is for this reason that I place no stock in the "limits to growth" psychology which has attracted so many

policymakers. Although I will readily admit that we may at some point run out of certain natural resources, I refuse to concede for one moment that this fact inexorably implies that we are running out of the human resources to find substitute goods and thereby to enrich our lives. To so imply would be tantamount to accepting that the poor must remain poor forever because they were left out of the economic system when our growth allegedly began to be limited, and this is something I will never do.

If there are no limits to our Nation's growth, and if the private sector alone will provide the opportunities for all citizens to better their—and our—lives by participating in this boundless growth, how then do we more precisely orient our Nation's policies to providing opportunities for the poor to participate in that system and through their participation to develop the areas in which they live?

I think the answer may be found by considering for a moment that opportunity is a dual concept: It exists for people and it occurs in places. When the movies of the 1940's depicted the simple country boy leaving home to make it in the big city, or when the movies of the 1970's depicted the cynical urban gentleman leaving home to find life's meaning on a farm, the same basic fact underlay both stories: an opportunity attracted a person, and the land upon which the opportunity presented itself benefited from the person's presence. Thus, growth requires people to confront real opportunities and those opportunities to be acted upon require a setting.

This is the second reason for my identification of opportunity development with urban development. (The first reason, you will recall, is that in all lands throughout the history of the world people have migrated from areas of less opportunity to areas of greater opportunity.) As opportunities in the cities develop, the land within their borders will develop as well.

Thus, the key to urban development is opportunity development, specifically the development of opportunities within the private sector.

To that end, I have introduced a bill which I would like to discuss briefly with you. That bill, the "Urban Jobs and Enterprise Zone Act of 1980" (H.R. 7563) was drafted jointly by me and a man who in working closely together with me has very quickly become a good friend, our colleague JACK KEMP of New York. I should point out that our mutual draft is a revision of an earlier bill drafted by JACK himself.

I suppose that it is unnecessary to remind you that JACK and I disagree on numerous issues. What we agree wholeheartedly upon, however, is that the key to areawide redevelopment is opportunity development—or, more precisely, the reestablishment of opportunity producing incentives in areas where they no longer exist but

once did—and that it is proper for Government to provide incentives to attract businesses to areas which face severe depression, unemployment, and poverty.

For that purpose, in a bipartisan effort that has rapidly attracted many cosponsors from both parties and been greeted warmly in the Nation's press, JACK and I have drafted a bill which, in its essence, would permit the most decayed, poorest, and most underemployed areas of the country to lower a host of personal and business tax rates applicable within them in order to restore incentives for economic activity. These incentives, suffice it to say, now do not exist in these areas for the most part.

Specifically, the Kemp-Garcia bill would:

Allow city and other local governments, including those in the most severely depressed rural and urban areas, to establish enterprise zones with Federal approval.

Require any eligible businesses within the zones which take advantage of the tax reductions to hire at least 50 percent of their workers from within the zones.

Reduce social security payroll taxes on zone employers and employees to encourage hiring of youths and others in hard-core unemployed areas, while providing simultaneously that any temporary shortfalls to the social security trust fund be made up through general revenues.

Reduce capital gains taxes and provide faster depreciation of business assets in order to encourage investment in job-creating businesses within the zones.

Permit the use of cash rather than accrual accounting methods by small firms and an extension of the loss carryforward from 7 to 10 years.

And allow the establishment of duty-free foreign trade zones for the fabrication of imported and exported products.

Safety and health standards would be maintained, of course, as would all existing social programs and regulations. The hope of this legislation, however, is that as the depressed areas encounter enhanced economic opportunities the residents of those areas will be able to get off the welfare rolls and onto the payrolls.

Our bill is still undergoing changes as it becomes circulated more widely to groups and individuals around the country and benefits from additional improvements. At some point, I would enjoy appearing before the House Ways and Means Committee with JACK to present a more systematic exposition of our bill. We intend also to hold hearings on our draft law throughout the Nation, thereby giving the people a chance to discuss its merits.

Nevertheless, whatever technical changes may take place in the future, I believe strongly right now that this targeted tax cut approach, when com-

bined with the nondiscriminatory national growth policies I discussed earlier, should form and will form the basis for a new, more cogent Federal role in the redevelopment of our Nation's urban areas. Only through the provision of economic incentives in areas where none presently exist will these areas be transformed from consumers of Government services to producers of wages and taxes.

Secretary of State Muskie once stated when he was a Senator that—

The problem of the cities is perhaps the most critical domestic issue with which this country has been confronted since the Civil War, if not since the founding of the Republic.

I would agree with that assessment, Mr. Speaker, but I would add to it "... and its solution requires the exact same expansion of economic and personal opportunity which led to the founding of the Republic and its explosion into greatness."●

THE REVOLUTION'S END: AN INTERVIEW WITH CARLOS FRANQUI

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. DERWINSKI. Mr. Speaker, Carlos Franqui was a member of the Communist Youth in Cuba until he joined the Twenty-Sixth of July Movement and became a guerrilla in the hills. He was Fidel Castro's director of propaganda until he broke with the Cuban dictator in 1968 over the latter's support of the Soviet invasion of Czechoslovakia.

In February of this year, R. Bruce McCollm, an American journalist, interviewed Franqui in New York, the first such interview he has ever given an American. Reprinted below are some selected remarks from their interview from *The American Spectator*, Bloomington, Ind. Franqui's comments on the Cuban Revolution are worthy of special note.

THE REVOLUTION'S END: AN INTERVIEW WITH CARLOS FRANQUI

Carlos Franqui was born to peasant parents in 1921. He was involved in Cuban politics from the time he was a teenager, first joining the youth movement of the Cuban Communist Party in 1939. Franqui quit the Party to become one of the first members of the Twenty-Sixth of July Movement in Havana. From 1955 until his imprisonment by Batista in 1957, he was the editor of *Revolucion Diario*, the organ of the Castro movement. After an exile spent in Mexico, Latin America, and the United States, Franqui joined the guerrillas in the Sierra Maestra and became the director of *Radio Rebelde* and the movement's newspaper, *Revolucion*.

When Castro came to power on New Year's Day, 1959, he entrusted Franqui with the archives of the Revolution and appointed him the organizer for the Central Congress of Havana. From the early days of the Castro government, Franqui used his extensive contacts among Europe's illuminati to

bring a number of intellectuals to idolize the Revolution. Among the pilgrims were Jean-Paul Sartre, who wrote "On Cuba" after a Franqui sponsored trip, and Simone de Beauvoir. . . .

But, by the late sixties, Carlos Franqui had become a "questionable person" in Cuba because of his public opposition to Castro's dictatorial methods and his strident advocacy of artistic freedom. In 1968, after Castro supported the Soviet invasion of Czechoslovakia, Franqui broke with the regime and went into exile [taking with him] the letters, documents, and various reports which had been in the revolutionary archives.

Franqui: The Revolution has meant 20 years of waiting in line for the Cuban people. It is incredible to think that the 20 main products of Cuba have been strictly rationed for the past 18 years. There's sugar, meat, milk, coffee, tobacco, cigars, rum, oranges, mangoes. Everything has been totally rationed. Even the basic foodstuffs like bananas, cassava, black beans, rice, and beverages are scarce. After 20 more years of the revolution, it's doubtful whether there will be enough food. . . .

The Cuban worker gets up before dawn and has to walk to get a bus to work. Sometimes the bus comes on time, sometimes the worker has to wait hours, and many times the bus doesn't even show up. And even when the worker does get to work, he has to wait hours, sometimes until the early afternoon, for the bricks, wood, or whatever he is working with to show up at the site of his job. Raw materials don't arrive on time, if they arrive at all. Even the final product gets lost, especially in agriculture. Sugar and tobacco just rot. Dilapidated farm machinery rusts in the fields.

Under these conditions, work becomes an absurd obligation. How can you feel excited about work when you can't even do your job? Why should you work when you don't get anything for it, especially when you see government officials enjoying extraordinary privileges? On top of all that, the system doesn't allow profits or the free discussion of labor problems, and it refuses to replace unfair administrations.

. . . Whatever national dignity we regained with the Revolution, has been lost with our total dependence on the Soviets. Moreover, the price paid by the Cuban people for the continuing African wars has been extremely high. After so many years, the Cuban people are fed up with promises. After 20 years, they no longer have any hopes in Castro's system. . . .

[Still,] it is totally naive to think that Castro and his system will fall, at least in the near future. The political structure is too strong: Over a half million people work for the secret police alone. For any change to come about, protest and dissent will have to increase, of course, but this in turn will intensify the repression. . . . The question is whether the present dissatisfaction will lead to a stronger protest or just die away. The responsibility lies with the youth. The youth rebellion will either escalate or be crushed by the government. . . .

There are, of course, many forced labor camps in Cuba. . . . But it is important to remember that nine million Cubans are treated like prisoners. They are totally restricted in terms of movement. A Cuban citizen must carry an identification card or internal passport called an RD-3 card. It lists where you work, where you live, where you come from. Things like that. Anyone found without this card is sent to jail.

. . . Today, when one gets down to it, Cuba is still an island of sugar and slavery.

Russian Communism and Castroism are a cancer of history. I certainly have no nostal-

gia for the Cuba of the past. But what came later is nothing more than a disease. I have nothing more to say. ●

REINDUSTRIALIZE THE WORLD WITH AMERICAN COAL

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. WHITEHURST. Mr. Speaker, J. Michael Gallagher, technical director for the now completed World Coal Study, has recently published an article in which he describes how the cumulative effects of dependence upon oil-high in price, uncertain in supply—have touched off and now reinforce a continuing process of deindustrialization of the world's oil-based economic structure, which has corresponded to the deteriorating performance of the world's economies in general since the first oil impingement in 1973. I am pleased to share this information with my colleagues at this point in the record. The article, "Reindustrialize the World with American Coal", from the July 1980, *Financier*, follows:

REINDUSTRIALIZE THE WORLD WITH AMERICAN COAL

Perhaps the most significant consequence of the 1979 oil price explosion has yet to be widely perceived—the dramatically improved competitive position of coal, the world's most abundant energy resource. This competitive edge holds even after paying the costs of high environmental, health and safety standards.

Since one ton of coal produces the energy of 4.8 barrels of crude oil, the \$20-per-barrel increase in world oil prices has increased coal's price margin over oil by about \$100 per ton. Oil delivered at \$35 per barrel is equivalent to coal at \$165 per ton, almost five times the average \$35 per ton delivered cost of coal in the United States today.

OPEC PROVIDED THE MARGIN

Even more important, the \$100-per-ton price margin OPEC has provided is twice that needed to enable coal both to meet high standards of health, safety and environment, and to cover the costs of shipping coal around the world to international markets. Thus, coal can be mined, moved, and used in environmentally acceptable ways in most countries for costs totalling no more than \$80 per ton, which is the energy equivalent of \$17 per barrel of oil, or less than half the current OPEC price. The corresponding figure in the United States is only \$60 per ton.

OPEC has thus priced its oil significantly above the level of a readily available alternative fuel—coal—for the world's large boiler fuel markets.

Increased use of coal can expedite the progressive removal of oil from heating markets to its premium uses as a transport fuel and as a specialized petrochemical feedstock, while simultaneously generating major economies for energy users and providing a moderating influence on future oil price increases. Recent softening of residual fuel oil prices on the spot market may be evidence that this process has already begun.

ECONOMIC OPPORTUNITY ADDED

Thus an economic opportunity has been added to the now widely-recognized strate-

gic imperative of reducing the peril of dependence on a daily flow of 20 million barrels of oil from the Persian Gulf.

How much must coal use expand to realize the necessary restructuring of the world's economies? The final report of the 16-nation World Coal Study (WOCOL), *Coal—Bridge to the Future* (Ballinger, May 1980) concluded that coal must be the principal replacement for oil in fueling the world's reindustrialization for the next two decades at least.

"The availability of oil in international trade is likely to diminish over the next two decades. Vigorous conservation, the development and rapid implementation of programs for nuclear power, natural gas, unconventional sources of oil and gas, solar energy, other renewable sources, and new technologies will not be sufficient to meet the growing energy needs of the world. A massive effort to expand facilities for the production, transport, and use of coal is urgently required to provide for even moderate economic growth in the world between now and the year 2000.

"Without such increases in coal the world economic outlook is bleak."

The main conclusion of WOCOL is that coal, which already supplies 25 percent of the world's energy, can provide two-thirds of the added energy needed to fuel the industrialized world's economic growth over the next 20 years. This is exactly the share provided by oil over the past 20 years.

Moderate economic growth can be supported if world coal use doubles by the early 1990's and triples by 2000, and steam coal trade expands by 10-15 times. Total world coal trade would approach 1 billion tons by year 2000 under these conditions.

Other important findings:

First, Feasibility: The coal expansion targets are attainable. They require a 5 percent annual expansion rate in the production and use of coal, a rate equaled in the U.S. over the past five years as production grew to a record level of 770 million short tons in 1979.

Second, Reserves: World coal reserves are enormous, 5 times proven world oil reserves and 250 times current world coal production. Only 15 percent of the world's economically recoverable coal reserves would be used by year 2000 even with tripled coal use.

Third, Prices: Coal prices are likely to continue to increase more slowly than those of oil and gas, thereby further widening coal's present price advantage (each 1 percent increase in oil price is now equivalent to \$1.65 per ton or a 4 percent coal price increase).

Fourth, Technology: The technology for mining, moving, and using coal is established and steadily improving.

Fifth, Environmental Standards: Without unacceptable increases in cost, coal can be mined, moved, and used in most areas in conformity with high standards of health, safety, and environmental protection by applying available technology.

Sixth, Capital: Investment requirements of the coal expansion are well within the capacity of domestic and international capital markets.

This is not to say that the capital needs are small. The required coal investment program totals \$1 trillion of today's dollars over the next twenty years for the OECD nations, which represents only about 3% of the expected aggregate capital formation. The American share would be on the order of \$500 billion.

Most of this capital will be needed to build coal-using facilities, principally electric power plants and, increasingly in the 1990's, synfuel plants. Investments in international coal supply chains—mines, railroads, slurry

pipelines, export and import terminals, and ships—may total \$200 billion, including \$40 billion of business for the world's depressed shipyards.

There is little doubt that such a large and sustained program of coal investments, which are economically viable today and would involve mostly private capital, would stimulate significant economic activity and labor employment, while retarding inflation as the US and other nations move from oil to a more economical and secure coal energy base.

Coal can replace declining and insecure oil and do so cleanly and economically.

What's the catch?

A big one: Time.

"Given the long lead times involved both for coal-using and coal-producing projects," WOCOL states, "the required expansion of coal demand and coal trade will be realized only if both producers and consumers are willing to make commitments in the early 1980's. There must be a recognition of the urgent need for coal and determined actions to make it available in time."

As the scale of the price margin provided by OPEC to enable coal to be used cleanly at a bargain price becomes more widely perceived, economic forces will be unleashed to stimulate the necessary coal investment programs. Indeed, they can be economically supported today on the basis of current energy prices, as the following examples illustrate:

1. ELECTRIC UTILITY POWERPLANTS

The oil fuel bill in 1980 for American electric utilities will be about \$16 billion—\$12 billion more than the cost for an equivalent amount of coal. Replacing oil with coal to fuel a 1000 MWe unit of baseload capacity can save nearly a quarter-billion dollars annually in today's fuel costs.

Thus there now exist strong incentives for utilities to reduce oil use by down-rating oil capacity while operating existing coal plants at high load factors, by use of coal-oil mixtures in existing oil boilers once technical feasibility is assured, and by converting oil plants to coal where possible.

Reacting to those replacement incentives, US utilities in 1979 increased their coal use by 47 million short tons or 10% while reducing oil consumption by 15% or 100 million barrels.

Coal's price margin over oil is now so wide, in fact, that the cost of electricity to American consumers could be lowered in many instances even by totally scrapping an existing oil-fired power plant and replacing it with a new coal plant (with a payback period on investment of about 4 years).

This reflects the straightforward arithmetic that residual fuel oil delivered to US utilities at \$30 per barrel translates into a fuel cost alone of 50 mills per kilowatt-hour of electricity generated, or one and one-half times the total cost of generating electricity from a new coal-fired station in the US. Of course, capitalizing on coal's economic opportunities will require prior removal of the current constraints on capital-raising abilities of utilities (e.g. through availability of low-cost loans) as well as reducing the delays now associated with obtaining approvals for new coal plants.

Even in countries where the coal must be imported, the economics now strongly favor accelerated retirement or down-rating of existing oil-electric capacity. This is an especially significant economic opportunity, since many oil-importing nations without abundant coal resources—for example, Japan, Italy, South Korea, and Taiwan—currently generate 60 percent or more of their electricity needs from oil while less than 10 percent is generated by coal.

2. INDUSTRIAL HEATING

All but the smallest cement facilities that are now using oil can be converted to coal within one year, with a payback period on the investment of less than one year. This would save about 500,000 barrels of oil per day in Europe, Japan, and North America and is but the most dramatic of many oil-to-coal replacement opportunities in the industrial heating market.

For large industrial boilers, coal is now the economic choice over oil and gas for new installations. Moreover, as in the case of power plants, there appears to be a growing economic incentive for accelerated reduction of oil use in existing oil boilers.

While oil-to-coal replacement economics are not as overwhelming as for the larger-sized utility boilers, investment payback periods of 3-5 years appear possible at today's prices, when site-specific conditions do not prevent the use of coal facilities.

3. BUNKER FUEL FOR SHIPS

It is conceivable that before long the "thin line of oil tankers stretching from the Persian Gulf to America" will be fueled by coal. It is in fact likely that by the year 2000 no more than a small fraction of the world's merchant fleet will still be fueled by oil, compared with today's worldwide bunker fuel oil use of 2.25 million barrels per day.

Even using very conservative assumptions, new coal-fired ships are now more economic than oil. Moreover, since the lifetime of a ship is typically about 18 years, essentially the entire existing world fleet will be naturally replaced in the 1980's and 1990's.

The first of the new generation of coal ships is expected to be launched in Australia in 1981, with all four of the leading Australian shipping companies now planning to introduce coal-fired ships to major trade routes. Initially, coal-fired ships are expected to carry coal and grain cargoes originating from exporting countries such as Australia, South Africa, Canada, and the United States. Coal-firing for other parts of the world's merchant fleet—general cargo ships and even oil tankers—could grow rapidly thereafter.

4. OIL-TO-COAL REPLACEMENT

Obviously, the opportunities for oil import reductions and economic benefits through oil-to-coal re-industrialization programs in the 1980's are enormous.

OECD countries now burn 12 million barrels of oil a day in utility power plants, industry boilers, and ships alone. Replacing even half of this oil with coal by 1990 would reduce OECD oil import needs by 25% while saving nearly \$50 billion annually in fuel and foreign exchange costs. The benefits from accelerated coal use will be even larger if, as expected, coal's price advantage over oil continues to widen.

The U.S.—with its enormous coal resources—has the opportunity to lead itself and its allies out of the cycle of oil-based de-industrialization. Indeed, without U.S. coal resources and U.S. leadership there can be no re-industrialization, for two reasons:

First: The U.S. is the world's largest oil importer, and only by using our coal to significantly reduce our needs for OPEC oil can we regain the confidence of our allies and reestablish our economic strength, while adjusting to the declining availability of world oil supplies.

Second: The U.S. has the world's largest coal reserves, and only if we export large amounts can countries of Western Europe and Japan obtain the coal they will need for re-industrialization.

Such a prospective American position of energy leadership marks a signal reversal of current relationships with our allies—from

active competition for scarce and expensive OPEC oil supplies to cooperative sharing, at a profit, of our abundant and inexpensive coal supplies. Not since the late 1940's and the time of European reconstruction has there been such an urgent need to revitalize international industrial structure, with such singular dependence on U.S. resources.

In 1980 that U.S. resource is coal, which can become our largest source of foreign exchange as coal exports fuel the re-industrialization of our allies' economies.

Since the US has the opportunity to provide 30-40 percent of the total worldwide demand of a billion tons of coal trade, annual revenues of \$10-\$15 billion or more are possible by year 2000. This compares with \$11 billion from grain exports today.

Even higher earnings will accrue if coal prices increase above today's level of \$35 per ton or \$7 per barrel oil equivalent.

A strong national commitment to coal, evidenced by realistic plans and programs, is required in the U.S. in order to achieve the coal-based re-industrialization. I believe that a bold program of action on four fronts can overcome the major obstacles.

Reduce Investment Uncertainties—By stabilizing the environmental standards for coal mining, reclamation, transportation and use.

Stimulate Coal-Use Investments—By providing investment incentives (e.g., investment tax credits, low-interest loans, accelerated depreciation) to accelerate replacement of oil-using equipment with coal equipment by the nation's electric utilities and industries, and to stimulate the development of a new synfuels industry.

Eliminate Delays—By expediting the process of obtaining approvals for new coal mines and coal-using plants; for leasing Western coal lands; and for building modern coal ports on the East, Gulf, and West Coasts.

Ensure Competitive Transport—By supporting the expansion of coal transportation capacity, including a combination of slurry pipelines, and rail and barge facilities. ●

CONFRONTATION IN POLAND

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 19, 1980

● Mr. RITTER. Mr. Speaker, I am greatly concerned, as I am sure my colleagues are, about an extremely serious problem facing the Polish People's Republic—the present strikes in the Baltic seaports and industrial region of that country. This situation is rapidly reaching crisis proportions. More than 100 factories are now thought to be affected, and shipping from the ports of Gdansk, Gdynia, and Sopot is at a standstill. In the shipyards and beyond, some 100,000 workers have walked out on their jobs as of yesterday.

The Polish workers' 16-point list of grievances is an unprecedented challenge to the Communist system established in that nation for the last 35 years. An editorial by Flora Lewis which appeared in today's New York Times accurately describes the significance of the confrontation of workers with the Communist government, not only for the future of Poland, but for the future of East-West relations as

well. I insert the Lewis editorial into the CONGRESSIONAL RECORD for the benefit of my colleagues.

WHEN WORKERS UNITE

(By Flora Lewis)

PARIS, Aug. 18—The strikes in Poland are moving to a climax. So far, there has been perfect order on both sides. The Government has refrained from any use of force and the workers have not rioted or looted or damaged property. It is an extraordinary situation. Anything can happen.

Whatever the outcome, it is now clear that the crisis will be another important milestone in the Communist world and, therefore, in East-West relations.

The significance of the confrontation was reflected in two items in the papers here. One was a wry little note about a premier telling strikers that the working class would suffer from their actions—an apparent reference to a six week-old strike of French fishermen that is blocking channel ports. But, it went on, this was happening not only in capitalist France but also in Communist Poland.

And a French Communist wrote a long appeal in *Le Monde* asking support from his party for Polish workers, saying that they are seeking no more than French workers demand and that they have the same right of fraternal sympathy as Bolivian miners and Miami blacks. Of course, the Communist paper *L'Humanité* takes no such stand.

The issue goes to the core of the ideology. Strikes normally are not allowed in Communist countries, nor is collective bargaining, on the grounds that the workers own the means of production and cannot act against themselves. In theory, they are the masters and have no bosses to challenge.

The theory matters, even though it is not practised, because the whole Communist hierarchy bases its power on the claim of being the leadership and the only legitimate voice of the working class. There is no other ground for legitimacy except the possession of force, and even that would be put into question if a Communist regime ordered the "people's army" and the "people's police" into action against a demonstratively authentic mass movement of the people.

The Polish regime must take into account how obedient its men under arms would be in such a case, and the use of Soviet troops would almost surely provoke armed resistance, however futile.

There are many levels to the impasse, many layers of cynicism and mistrust accreted over two generations. The director of Polish radio and TV, Maciej Szczepanski, a hard-liner and a man of critical importance in this deadlock between the regime and the ruled, provided an illuminating little example when I talked with him last month.

He spoke proudly of the number of production deals he had made with West European and American TV. One was for a series of Sherlock Holmes plays, and a copy of Baker Street has been built in Warsaw. The arrangement brings urgently needed hard currency. Asked why the Western networks choose to film in Poland, he said that the facilities were good, and, after a pause, that of course they didn't face the kind of union and tax problems they have in the West.

Now, Polish workers are asking not only for more wages, and food in the shops to spend them on, but for the right to organize and to negotiate. In effect, they are telling the rulers to forget their fine theories and recognize the right to bargain.

The fact is that major groups of Poles have already seized these rights. This is unprecedented and astonishing in the cir-

cumstances. Their solidarity was forged on the factory floor, with spontaneous leadership.

Four years ago, after strikes that were quickly and bloodily suppressed in Radom, a small group mostly of intellectuals formed the Workers' Social Self-Defense Committee (KOR) to support those who were imprisoned or fired. Now, factory committees are sprouting in shop after shop, including the huge industrial complexes near the Baltic, and they communicate with KOR. Suddenly there is coordination for what is becoming a vast movement.

That is obviously one reason the authorities have cut telephone and telex lines with Gdansk, where the biggest strikes are taking place. It is another mistake. Jacek Kuron, KOR's main spokesman, has been saying for weeks that the regime should seek to deal with the workers through organizations because nobody will be able to control them if their pent-up anger explodes unorganized.

He is a responsible man, a moderate and a patriot. Communist officials say they simply cannot accept free unions, but it is in everybody's interest that the Polish regime heed Kuron's warning. If it does, and the chance for settlement has not already been lost, Poland may be able to overcome its crisis and develop a more reasonable form of socialism. That would be a historic example, with far-reaching effects.

If nothing is done until too late, there is likely to be violent upheaval, possibly Soviet intervention. It would be a tragedy not only for all directly concerned, but for what hopes remain of mending fractured East-West relations. Poland on top of Afghanistan would be too much. Washington, as well as Moscow, has a stake in how Polish workers are treated as they seek to carry out the old Marxist injunction to unite. ●