

## EXTENSIONS OF REMARKS

NATIONAL YOUTH SERVICE AS  
AN ALTERNATIVE

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. McCLOSKEY. Mr. Speaker, Dr. Martin Anderson's article from the autumn issue of *CommonSense* appeared in the *CONGRESSIONAL RECORD* Extensions of Remarks on Wednesday, January 30, 1980. Because we have seen evidence that the All-Volunteer Army concept is not working, I would like to respond to this very important issue by calling to the attention of my colleagues the following comments which appeared in the same issue of *CommonSense*.

NATIONAL YOUTH SERVICE AS AN ALTERNATIVE  
(By PAUL N. McCLOSKEY, JR.)

None of us wish to consider a return to the draft if the all-volunteer force concept is working, or can be made to work.

In the past year, however, it has become increasingly clear that not one of the four branches of the service has been able to recruit the required number of qualified young people. Despite increased recruiting budgets, I think it fair to state that there are very few reasonable young men today who will volunteer to be combat-ready soldiers in time of peace. And the question becomes: if we cannot get reasonable young men to volunteer, can we afford an Army of unreasonable or unqualified people at a time when the requirements of skill in handling sophisticated weapons systems and coolness in tense international situations have never been more necessary around the world?

It has been suggested by some that we should double the pay in order to attract a better quality volunteer. But payroll costs have increased from \$21 billion five years ago to \$28.7 billion this year.<sup>1</sup> It is my understanding we are already spending 55 percent of our defense budget on manpower costs, compared to only 25 percent by the Soviets.<sup>2</sup> Can we afford to increase this percentage? Even if we could, there is no assurance that it would solve the problem.

I have visited half of the 24 high schools in my congressional district and asked the question: "How many of you will volunteer to be combat riflemen if I tell you you are going to train in the jungle or desert in the summer and the Arctic in the winter, that you are going to run 20 miles a day, that you are either going to be hot, tired, and dirty, or cold, wet, and miserable—how many of you will volunteer if we double the pay from \$418 a month to \$836 a month?" I have yet to see a single hand raised.

People can be led to enlist by promises of travel, education, and cushy, interesting jobs in the Army. But in many cases, these promises constitute nothing less than fraud. Duping the ignorant and unwary into volunteering (which appears to be happening today) produces two inevitable results. People who volunteer drop out in their first tour of duty because their expectations have not been met; or they suffer low

morale and performance on duty. In every congressional office I know, there is a sheaf of cases where some young man has volunteered for four years only to learn that he had a three-year option; had been promised education and training, and after about six months of not getting it, has pointed to some recruiting misrepresentation. The South has traditionally been the area from which we drew volunteers most easily. Recently, however, nine recruiting officers have faced criminal charges in North Carolina alone, in a widespread investigation of recruiting frauds.<sup>3</sup> If that situation continues, we have a harsh decision to make.

The Senate Armed Services Subcommittee on Manpower voted four to three to restore draft registration.<sup>4</sup> The House Armed Services Committee voted 30 to four to restore registration for the draft.<sup>5</sup> Our two committees of expertise in the House and Senate both feel that we must prepare to return to the draft. Last September, the House of Representatives voted to defer registration because Members did not feel the evidence was sufficient as yet to convince our political constituencies that a return to the draft is necessary.<sup>6</sup> This is a controversial political issue which politicians may be reluctant to face squarely, particularly in an election year. Congress has agreed to defer consideration of registration pending a thorough Administration study of the all-volunteer force, with consideration of alternative solutions including a return to the draft or the National Youth Service concept.<sup>7</sup>

## SOLDIERS OF QUALITY

Our prime concern must be the quality of those soldiers who make up our military forces. In time of peace in the past, it may have been possible to get by with less than a cross-section of citizens of the United States making up our armed forces. But today, the job of a combat soldier is more complicated. A soldier may be assigned to guard nuclear weapons in Germany, or guard an embassy in Tehran. Today, the job of a combat soldier calls not only for coolheadedness but also for intelligence and technical skills not needed in earlier days. There have been occasions in American history where wars occurred because someone was trigger happy—the first shot at Lexington, for example. The Boston Massacre occurred and inflamed the 13 colonies when someone fired a round into a crowd by mistake or panic. A lack of coolness or mistake in judgment at the Brandenburg Gate could lead this nation into war. We need quality soldiers of intelligence and common sense to deal with today's communications equipment and weapons systems.

This need is not being met. In the last several years, the Army has had to downgrade its training manuals from the 12th grade to the eighth grade level, and recently to even lower levels.<sup>8</sup> The May 2, 1979, *Stars and Stripes* reports a test of 450 soldiers in West Germany revealed that only seven could read at the 9th grade level.<sup>9</sup> With respect to the quality of the American soldiers in Germany, a German police spokesman in Erlangen, asked about increasing crime rates, was quoted: "I get the impression that over the last two years, because of the all-volunteer Army, the quality of the soldier has gone down. Some of them come across as totally illiterate and without any internal leadership."<sup>10</sup> The wife of a career Army sergeant wrote to me recently: "I can confirm your belief that the military is greatly out of

shape and would be slaughtered just like the divisions sent against North Korea at the beginning of that war. It scares the life out of me that my husband would have to lead and depend on the men in his company. They would be worthless."

From another standpoint, the current system is working unfairly against the poor and minorities. We are a rich, powerful, predominantly white nation. Yet an increasing percentage of those we call on for the most onerous duty of citizenship—defending our freedoms—are poor, black, or brown. The disparity in Vietnam was bad enough. While 17 percent of our population is black or Latino, these two minorities suffered over 40 percent of infantry casualties in that war. If we went to war today, that percentage would be higher. If you recall the famous picture of President Carter jogging in Korea with the front-line troops near the DMZ, you cannot fail to have noticed that nearly all of those soldiers with him were black. None of us should feel too comfortable having our white-dominated nation of affluence and freedom asking that our most difficult task be performed primarily by the poor and minorities.

It is not that we want to return to a draft. It is that we may have no other alternative if we are to spread the burden fairly and also to have a quality fighting force consistent with our national security. Nor are we considering a draft because we need a larger Army. The overall size of our Army may well be reduced in future years. Even now we would need perhaps only 400,000 young men of the 2.1 million who turn 18 each year. If we include women, this is less than one-out-of-10 of the total 18-year-old population—one-in-five if we include men only.<sup>11</sup>

There is no way to keep high morale in an armed force made up of individuals who were the one-in-five or one-in-10 unlucky enough to be chosen by lottery. None of us want to return to a draft where there is a college exemption that places the burden only on those who can't qualify or afford to get into college.

It seems basic to me that we should seek a return to the principle that George Washington laid down in 1783: that the privilege of being an American justifies a duty to serve the country a year or two in one's youth.

If that duty is to be accepted by today's idealistic young people, the duty must be universal and shared by all. The opportunity of service to the nation and community should include civilian as well as military service. It is on this basis that I have proposed the National Youth Service concept (H.R. 2206).

## THE NATIONAL YOUTH SERVICE ACT

Essentially, the bill provides for four options to each 18-year-old. Each young person, man or woman, could volunteer to serve in a combat arm for two years. If he or she did so, at a prescribed minimum subsistence wage, such a volunteer would receive four years of college benefits as compensation. The subsistence wage would not be the current pay of \$418 a month, but closer to perhaps \$200 per month. The second option an 18-year-old would have would be to serve for six months on active duty as a reservist with a five and one-half year obligation to remain combat-ready—which means being able to run 20 miles a day, being ready to go into action on instant notice. The third

Footnotes at end of article.

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

option would be a year of civilian service which could be done in private institutions and for charitable groups. It could include the Candy Stripe hospital assistance program; it could include maintaining or preserving the trails of American, cleaning up impoverished neighborhoods, coaching summer basketball leagues, or participating in the community service side of church missionary work such as the Mormon Church's foreign missions program. Only if one did not volunteer for any of these three major types of service to the nation would an individual then be subject to the draft between the 18th and 24th birthday. Non-volunteers would go into a pool, but even then they would be subject to the draft only if there were insufficient volunteers for the active military forces and the Reserves. The obligation would be shared by all, but no one need be drafted who volunteered for humanitarian service.

Dr. Anderson and others have suggested that, at least in peacetime, a military draft constitutes involuntary servitude and violates the 13th Amendment. This is clearly an erroneous position.

The Supreme Court has squarely held, by denying certiorari in two cases in the 1960s, that in peacetime the government has the power both to draft people into the military services and to require, in order to maintain morale and discipline in the armed services, that conscientious objectors and persons not drafted serve in some civilian form of service as an alternative.<sup>12</sup> Admittedly the government is without the power to compel peacetime civilian service alone. That would be involuntary servitude and violative of the 13th Amendment in my judgment.

The court decision (*Howze v. United States*) upheld by the Supreme Court used the following language: "Compulsory civilian labor does not stand alone, but it is the alternative to compulsory military service. It is not a punishment, but is instead a means for preserving discipline and morale in the Armed Forces. The power of Congress to raise armies and to take effective measures to preserve this efficiency, is not limited by either the 13th Amendment or the absence of a military emergency."<sup>13</sup>

In another case, the Supreme Court held: "The power of coercing the citizen to render military service . . . so far from being inconsistent with liberty . . . is essential to its preservation."<sup>14</sup>

We should not forget that the very reason we adopted our Constitution was so that the central government could have the power to raise an army in peacetime—a power which didn't exist even in wartime under the original Articles of Confederation.

#### RIGHTS AND OBLIGATIONS

The key to the problem, again, is restoration of the concept that the privilege of U.S. citizenship justifies a universal duty of service to the nation in one's youth. Once this concept of duty—currently a casualty of the Vietnam War—is restored, once it is accepted that the purpose of that service is to defend the country, not to invade foreign nations, the National Youth Service alternative may well prove the best way we have to both provide a quality and respected military force, yet also meet the aspirations of our young people who wish to serve the country or their community in an humanitarian capacity. Once the duty is a duty shared by all, that duty will merit its own respect. Once the duty is accepted, in my judgment, enough 18-year-olds may volunteer so that no one need be drafted.

With the threat of the draft in the background, 18-year-olds may very well provide sufficient volunteers to adequately make up both the regular forces and the Reserves. If it is understood that there is a duty to serve

the country, I don't think you will see any lack of idealism in our young people for some of them to serve the arduous demands of military service. I believe we have large numbers of young Americans today who would like to serve in civilian service but are denied the opportunity to do so. There is no lack of volunteers for the Peace Corps or for Forest Service jobs. We could save half the forests in California which burn down each year if we had adequate numbers of young people to watch for fires and to fight fires immediately when they occur.

If it turns out that the continuing lack of quality and quantity of our services requires a return to some form of the draft, then, at that point, very possibly as early as next spring, I recommend that the Republican Party adopt this concept of a national duty to serve in return for the privilege of being an American. I can conceive of no fairer way to spread the obligation of protecting our country.

#### FOOTNOTES

<sup>1</sup> U.S. Department of Defense, Annual Report: Fiscal Year 1980, p. 23.

<sup>2</sup> Estimates by U.S. House of Representatives Armed Services Committee.

<sup>3</sup> Office of Congressional Liaison, U.S. Department of the Army, November 19, 1979.

<sup>4</sup> Congressional Quarterly, June 9, 1979, p. 1115.

<sup>5</sup> U.S. House of Representatives Armed Services Committee, House Report 96-166, May 15, 1979.

<sup>6</sup> Congressional Record, September 12, 1979, p. D1145.

<sup>7</sup> Amendment to H.R. 4040, Department of Defense Authorization Act for Fiscal Year 1980 by Rep. Patricia Schroeder (D-Colo.), Congressional Record, September 12, 1979, p. H7765.

<sup>8</sup> Testimony of Secretary of the Army Clifford Alexander, Subcommittee on Manpower and Personnel, U.S. Senate Armed Services Committee, November 19, 1979.

<sup>9</sup> According to Stars and Stripes, the U.S. Army began to step up "its basic skills education program," in Bremerhaven and Clay Casern in Osterholz-Scharmbeck, West Germany, "in an effort to bring illiterate soldiers up to a ninth-grade reading, language and math level. . . ."

"Education experts said that about 875 soldiers assigned to north Germany units—665 of them assigned to the 2nd Armd Div (Fwd) at Clay Casern—have been identified as reading below a ninth-grade level. Each of these soldiers qualifies for the Basic Skills Education Program (BSEP)."

"Education experts note that many of these soldiers lack basic literacy skills to the point where they cannot fill out forms for enrollment in education classes. A number of them are unable to read and understand Army training and maintenance manuals, they say. . . ."

"The problem of literacy is severe," said Rich Johnston, an education counselor at Clay Casern. "The problem is pathetic. We have tested many soldiers here who have earned high school diplomas and they are only able to read at a fifth-grade level. We've tested other soldiers who are able to read only at a third-grade level' . . ."

"Education officials at Clay Casern said they have tested 450 soldiers for BSEP. Only seven tested out at a ninth-grade level or higher in math, language and reading." Dan Synovec, "Army Gears Up Against Illiteracy," The Stars and Stripes, May 2, 1979.

<sup>10</sup> Michael Getler, "3 Alleged Rapes by GIs Strain Relations in W. Germany," The Washington Post, May 29, 1979.

<sup>11</sup> U.S. Department of Defense, America's Volunteers: A Report on the All-Volunteer Armed Forces, December 31, 1978, p. 18.

<sup>12</sup> *United States v. Holmes*, 387 F.2nd 781 (1968). Certiorari to the United States Supreme Court denied, 391 U.S. 9361 (1968); *Badger v. United States*, 322 F.2nd 902 (9 Cir. 1963). Certiorari to the United States Supreme Court denied, 376 U.S. 914 (1964).

<sup>13</sup> *Howze v. United States*, 272 F.2nd 146, 148 (1959).

<sup>14</sup> *Lichter v. United States*, 334 U.S. 742, 757 (1948), footnote 4.●

## FARMERS ARE IN PRECARIOUS SITUATION

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HUBBARD. Mr. Speaker, during these times of international crises and uncertain expectations, our great Nation is relearning the meaning of personal sacrifice. Yet, we should share as equally in this burden as possible. While our attention is focused naturally on events overseas, let us not forget the Americans who are paying an especially high price to send a lesson to the Soviets, the American farmers. Farmers are in a precarious economic situation, which was described very plainly to me in a recent letter from a constituent, Edward F. Young of Princeton, Ky. Especially for those Members of Congress from urban areas who do not hear directly from farmers, I would like to record the following letter:

DEAR MR. HUBBARD: Why is it that every time the economy begins to look like the American Farmer can make a decent profit, the government finds a way to put the idea to rest?

I am part owner and operate a fertilizer and farm supply store here in Princeton. Since my partners are farmers and I also farm some, I am very aware of the problems farmers face. Right now, while you read this, the American Farmers are in one of the most precarious positions they have ever encountered.

Inflation during the last five years has been unbearable. Equipment prices have doubled. Interest rates have doubled. Many other items and supplies have more than doubled. However, the price the farmers can get for their products is less today than it was five years ago. Why? What happens when the nation's leading industry faces such a predicament?

The figures published show Gross Farm Income to be up. This is misleading. They should publish net income or real farm income. I don't think anyone really realizes what conditions exist.

The only way the American Farmer has survived these past few years is through increased efficiency and increased borrowing power gained through the inflated land prices. The Secretary of Agriculture believes farm land prices are too high now. What will happen to the farmer if the farm land prices level or decline and the Federal Reserve Board's "tight money policy" continues? I personally don't know a single farmer that can survive another five years under present conditions. I believe in survival of the fittest, but the small and part-time and the inefficient farmer have already been eliminated.

Think of the "snowballing" effect the farmer's problems have on other people, i.e., machinery manufacturers and dealers, fertilizer and farm suppliers like myself, and the farm laborers that will be out of work.

The present embargo on Russia only serves to highlight a problem that has long been in existence. What are we going to do to keep these farmers from losing their farms and people like me from losing their businesses? If there is any legislation in process now to help, I urge you to support it. If there isn't any, I urge you to start some. Let me know if there is anything I

can do to help. We in the Agricultural Industry are in a world of "hurt."

Thanks for your time and listening ear.

Sincerely,

EDWARD F. YOUNG.●

## AMERICAN CITIZENS ABROAD

### HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. ALEXANDER. Mr. Speaker, I would like to continue with issues which affect American nationals living and working overseas as presented in the study done by the American Citizens Abroad.

#### ISSUE NUMBER 5—DISCRIMINATORY PREFERENCE IN CITIZENSHIP TRANSMISSION QUALIFICATION OF PARENTS

##### SUMMARY OF THE PROBLEM

American laws setting the requirements which must be met by citizens having children abroad so that the child can be an American citizen at birth make a distinction between those who are abroad as employees of the U.S. Government, or of International Organizations, and those who are not attached to the Government in any way. The distinction gives significant benefits to the first group, and denies these benefits to the second.

##### ACA'S QUESTION

When it comes to qualifying to transmit citizenship to children born abroad, why are some Americans given greater privileges than others? What makes a Government employee more valuable and more deserving of human rights guarantees for his children than a citizen who is not working for the Government?

##### THE PRESIDENT'S REPLY

"Section 301 (g) of the Immigration and Nationality Act gives benefits with respect to the transmission of citizenship requirements to certain individuals, such as military personnel and government employees who may be abroad involuntarily at the direction of the United States Government, and those working for an international organization. These persons can count time spent abroad in the service of the United States Government or an international organization as a period of physical presence in the United States for purposes of transmission of citizenship. In making a distinction between persons residing abroad voluntarily and those serving abroad with the Government or an international organization, Congress was carrying out a legitimate purpose and had sound basis for its distinctions."

The President, thus, justifies the existence of two different classes of Americans abroad, one with more rights than another. However, he further states: "The enactment of the legislation liberalizing the general requirements for transmission of citizenship, as cited in Section I of this report (see Issue 4 above), would significantly lessen the difference in treatment between those abroad who are in the service of the U.S. Government or international organizations and other Americans living abroad." Subsequent to such recommended action the distinction would remain, but would be of lesser import.

##### ACA'S RENEWED QUESTION

Does the President really feel that there is a need to make a distinction between

Americans living overseas in terms of their ability to transmit basic Human Rights to their children simply because of different kinds of employers of Americans abroad?

The President stated that the Congress, in making such a legislative distinction, was carrying out a legitimate purpose on a sound basis. Doubtless good reasons can always be found for almost any action taken by the Congress. But that is not the point. The point is whether such a distinction is necessary, and whether it is right.

A clue to the President's thinking is given in the use of the word "voluntary" in justifying the distinction made between Government employees and those not working for the Government. Presumably this implies that only Government employees are sent abroad by their employers without choice. This would come as a surprise to many employees of major corporations who have also been sent overseas. Of course these private sector Americans could always refuse to go abroad. They could quit their jobs. But, then again so could most of the Government employees. The issue of voluntariness as a justification for this distinction would not seem a valid example.

It might be argued that employees of the Government are working for the good of the country while the private sector Americans are only out for their own selfish interests. This, in most cases, would also be hard to justify. Indeed, it is often not clear who is making the most important contribution to the health and welfare of the United States, the clerk at an Embassy or a prominent American professor, lawyer, doctor, engineer, consultant, poet or architect. The point really is that the United States should not be in the business of making such curious value judgments of the worth or contributions being made by its overseas citizens. Yet, any other basis for making distinctions between how different classes of overseas Americans should be treated is hard to find.

ACA would like to ask the President to address the question of whether some overseas Americans should have more privileges than others? If so, how is such differential treatment to be justified? Explanations given to date are quite evidently inadequate. All Americans should be equal before the law. Or have we missed something?

#### ISSUE NUMBER 6—RETROACTIVITY OF THE REVOCATION OF CITIZENSHIP RETENTION REQUIREMENTS

##### SUMMARY OF THE PROBLEM

In 1978, the Congress finally abolished the requirement that children born abroad with American citizenship in families where only one parent was an American citizen had to return to the United States for a specified period of subsequent residence failing which the child automatically lost his American citizenship on a given birthday.

When this change was made, the Congress failed to make the change retroactive. Hence some children who were born abroad have been stripped of their American citizenship for failure to comply with requirements that no longer exist.

##### ACA'S QUESTION

Why, if the Congress recognizes that conditions subsequent for the retention of citizenship acquired at birth abroad are wrong, should not the revocation of this abandoned principle apply equally to those previously struck by its inequity as to those fortunate enough to still be too young to have been assaulted by it?

##### THE PRESIDENT'S REPLY

"There are no longer any provisions of law which discriminate against citizens born abroad with respect to retention or loss of citizenship. During the hearings on the bill, Congress considered arguments for and against retroactive repeal of Section 301 (b) (which had previously required the subsequent residency as a condition of retaining citizenship if acquired at birth abroad), and found sufficient reasons for repealing the statute prospectively only. The arguments against retroactive repeal were grounded on difficulties, legal and administrative, inherent in restoring citizenship status to persons who have previously lost it, and in the "ripple effect" that such action would have on derivative citizenship claims, tax obligations, and social security benefits. Reconsideration of this matter has resulted in the conclusion that the Administration should not seek a revision in the recent legislation enacted by the Congress."

When the changes to Section 301 (b) were being discussed by the Administration and the relevant Members of the Congress, the Administration took a strong position in favor of making the revocation of the retention requirements retroactive. There were good reasons for doing this. First, there was a relevant historical precedent. Earlier, when the subsequent residency requirements had been made less draconian in 1952, the Government initially opposed retroactivity and then reversed itself and argued in the Federal Courts that retroactivity should be used. Children that had been stripped of their failure to comply with previous requirements were restored to their citizenship status, problems of administration, and ripples, notwithstanding.

Second, the Administration had a strong argument to the effect that the size of the potential complications issue was small. After all, only a modest number of children had been abused by the old law and most of these were not necessarily old enough to have had large families for derived citizenship complications, and surely none was yet old enough to have social security retirement problems. Indeed, according to the State Department, we were only talking about 2,000 people.

Additionally, while there would be a need to adopt new administrative procedures to handle the retroactivity processing, State had just been relieved from the large burden of having to chase after children born abroad to take their citizenship away from them and thus there was a net freeing of administrative capacity in any case.

##### ACA'S RENEWED QUESTION<sup>1</sup>

ACA is most disappointed by the change in the Administration's stand on this issue. From being a strong defender of overseas Americans in 1978, the Administration has abandoned the disinherited children abroad. Now the Administration cites the very arguments to justify this new policy that it had so effectively shown to be without substance only one year earlier.

ACA asks once again, why is the Administration abandoning the 2,000 citizens who have been stripped of their American citizenship under provisions of a law that is now recognized to have been unjust? Surely, if justice has any meaning, it must be worth some small administrative inconvenience to be rendered.

We ask the President to reconsider his new policy and not abandon the 2,000 disinherited innocents abroad.●

## DICKEY-LINCOLN PROJECT

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. EDGAR. Mr. Speaker, I would like to include for the record an article on the Dickey-Lincoln project which appeared in the September 9, 1978, edition of the Dartmouth Alumni magazine. The article discusses some of the problems of the proposed project. Fortunately, the decision of the Public Works and Transportation Committee to deauthorize the project was upheld on the House floor recently.

The article follows:

[From the Dartmouth Alumni magazine, Sept. 9, 1978]

DICKEY-LINCOLN: WHO WANTS IT? WHO NEEDS IT?

(By Greg Hines)

The rush of spring runoff of the St. John River in northern Maine is prized by canoeists and coveted by federal power producers. The U.S. Army Corps of Engineers has plans for the St. John that involve converting one of the most attractive white-water runs in the Northeast into a power-producing reservoir. The Army Corps project would generate something over a billion kilowatt hours of peaking power annually, mostly for the Massachusetts market, plus about 250 million kilowatt hours of intermediate power per year for northern Maine customers.

Authorized by Congress in 1965 but never funded for construction, the Dickey-Lincoln School Lakes project has recently been revised and refigured by the Army Corps, largely in response to rising concern over energy sources. The Dickey-Lincoln project calls for two dams—a large structure at the site of the small village of Dickey, Maine, and a smaller, regulating dam downstream at Lincoln School. The Dickey Dam will produce peaking power; the Lincoln School Dam intermediate power.

The Dickey Dam and reservoir will be awesome. Dickey will be larger than the Aswan Dam of Egypt at 335 feet high and 10,200 feet long, this earthfill structure will back up slack water over 88,000 acres of forest, white-water rapids, free-flowing streams, lakes and ponds. Much more than the St. John River will be destroyed. The Black River will be totally erased in the United States and pursued to extinction into Quebec. Along with the inundation of rivers and streams will come the destruction of the habitat of northern plants and animals: woodcock, ruffed grouse, wood thrush, deer, brook trout, moose, woods warblers, marsh marigold, white spruce, tamarack. The list could be expanded.

Habitat destruction sounds innocuous, but what it really amounts to is a net reduction in the number of animals and plants: the arctic woodpecker, the deer, the Canadian lynx, the white-throat sparrow, cedar, lady slipper, and painted trillium. Mobility will not save a species; destruction of habitat brings reduction of numbers, since other areas generally are environmentally incompatible or populated to capacity.

But what's so new here? Man has been pushing plants and animals aside for hundreds of years. If the Army Corps says the Dickey-Lincoln project is economically justified with a satisfactory benefit-cost ratio, doesn't that put an end to the issue? And this is precisely what the more than 30 vol-

umes of report on the Dickey-Lincoln project attempt to establish beyond argument. The economic justification for construction of the Dickey-Lincoln dams rests on the Army Corps' benefit-cost study, which arrays benefits and costs in dollars and concludes that a project is justified economically if the benefits exceed the costs. Dickey-Lincoln passes the benefit-cost test by the narrowest of margins, 1.2 benefits to 1 costs. But in reaching 1.2:1, the Army Corps engages in some extraordinary data manipulation.

Note that the Army Corps, which is responsible for the design and construction of the project, prepares the benefit-cost study that recommends the project to Congress for funding. Remember, also, that an above-one benefit-cost ratio, justifies withdrawing resources from private use for public projects, an important incentive for the Army Corps to underestimate costs and pad benefits in reaching the 1.2:1 ratio. For example, in mid-1978, the prime rate of interest—the cost of money for low-risk private borrowers—was about 8.5 per cent. For purposes of analysis, however, the Army Corps employed interest rates of 3.25 per cent and 6.38 per cent in computing the Dickey-Lincoln benefit-cost ratios. Neither of these interest rates provides a realistic market test for Dickey-Lincoln, and the 3.25 rate is so far from reality that its use can only be an embarrassment even to the most hardened Army Corps champion.

Congress expects benefit-cost analysis to show two things: how a project ranks in comparison with others and whether a particular project is justified economically. In other words, projects with benefit-cost ratios of 2.8:1 and 3.2:1 are clearly superior to a project with a ratio of 1.2:1, although all three pass the benefit-cost test for economic justification. If the ratio is greater than 1, resources employed in the private sector can be shifted to public output without economic loss to society. But for the above-one ratio to be a reliable guide to the optimum private-public resource distribution, project data on benefits and costs must not be under- or overstated. In more cases than not, however, the federal agencies have been better at discovering project benefits than at acknowledging costs. The benefit-cost analysis of the Dickey-Lincoln project continues this tradition.

Early in the 20th century, the Army Corps of Engineers built dams mainly for flood protection. But as years passed and the flood potential lessened as Corps-projects were completed, dam building had to be justified on other grounds. Projects were designed to be "multi-purpose," with power production generally the main purpose. Also, other benefits than power have come to be relied upon to justify project development. Recreational opportunities from reservoir use, for example, have frequently added more to the project benefits than flood control, and since the private market does not establish a dollar value for the reservoir use by water skiers and fishermen, Congress has designated the dollar value range of such benefits. To establish recreational benefits, the extent of recreational use of the project—"visitor days"—must be estimated and assigned a value. All visitor days have dollar value, but some kinds of recreational opportunities are worth more than others, depending upon whether the recreational opportunity offered by the project is unusual or commonplace. Recreational benefits for Dickey-Lincoln, according to the Army Corps, fall mainly in the middle range, which critics contend is a totally unjustified attribution of value to a fluctuating slackwater impoundage.

These added benefits usually continue for the life of the project, increase with popula-

tion growth, and improve the chances of a project passing the benefit-cost test. In addition to recreational benefits, the Dickey-Lincoln benefit-cost ratio is raised by "redevelopment" benefits, which are project outlays for labor that otherwise would be unemployed or underemployed in northern Maine. Redevelopment benefits are not confined to labor expenditures during dam construction, but take account of later operation and maintenance expenditure as well, thus assuming the depressed conditions in the project's labor market will extend beyond the period of construction. Finally, Dickey-Lincoln counts "downstream" benefits of \$3.5 million annually for the increase in power availability to the United States from New Brunswick hydroelectric producers. Because Dickey-Lincoln will impound the spring runoff of the St. John River, making this water available for later power generation in New Brunswick as well as in Maine, a credit for the value of the New Brunswick power sold in the United States is added to project benefits. Significantly, however, the benefits but no share in the production costs of this power are attributed to Dickey-Lincoln.

It is clear that the benefit-cost analysis of the Army Corps, although purporting to follow market standards, does not find these standards to be much of a restraint in computing benefits. What about costs? For a project such as Dickey-Lincoln, costs cover the full range of economic goods and services. Some of these costs can be manipulated; that is, adjusted or selected by the analyst. Others simply must be transcribed from market data. The most important single project cost, the interest rate, is at least partially within the control of the federal agencies, since the rate used is adopted by a committee of high-level federal agency representatives. Over the years, the committee has selected an interest rate for project analysis that has been well below the market rate, for example, employing 6.38 per cent in the case of Dickey-Lincoln, when the market rate is about 8.5 per cent. The reason for the lower rate is simple: The lower the interest rate, the easier it is to justify economically a federal project.

The rate of interest enters benefit-cost analysis at two points: as a financing charge during the four or five years of project construction and as a discounting rate to convert the project's future output to present worth. For an economic undertaking to cover full cost—whether public or private, internally or externally financed—it must account for interest during construction, the cost of using money in this economic activity. If the interest rate is 6.38 percent, a smaller cost is incurred than if the rate is 8.5 percent. Since the Dickey-Lincoln project is capital intensive and the early construction and equipment expenditures dwarf later operation and maintenance costs, the interest rate chosen for analysis exerts a crucial influence on project justification. A low rate means projects pass the benefit-cost test easily; a high rate means they fail.

Discounting, a process which many view as a kind of economic legerdemain, also employs the interest rate to determine the present worth of a project. To compare investments—whether public projects or private business undertakings—the benefits and costs that occur over the life of these investments must be adjusted to the present by discounting. For the capital-intensive project, in which the major cost outlays are for the building of the project but the benefits extend over its later life, the use of a low rate of interest for discounting decreases the benefit stream less than a higher rate. The result: The lower the inter-

est rate for discounting, the higher are benefits relative to costs.

Projects such as Dickey-Lincoln do not pay taxes, which in itself is entirely defensible. But most federal agencies, including the Army Corps, ignore taxes as an element of cost in their analysis; that is, no account is taken in the benefit-cost ratio for such levies as corporation taxes and other outlays that are an inevitable feature of business in the private sector. As a result, the benefit-cost analysis by the agency does not truly reproduce conditions comparable to those of the private economy. If an above-one benefit-cost ratio is to signify a resource use that is equally or more efficient than that of the private sector, the public project must demonstrate a capacity to cover taxes as costs. This does not mean that the Dickey-Lincoln project should actually pay taxes; it does mean, however, that it should be efficient enough to do so.

Few would maintain that the role of government should be limited to functions in which it is equally or more efficient than the private sector. Some things can't be left to private direction and control: national defense, justice, mass education, prevention of poverty, among others. The public interest is not automatically served, however, by federal power production, although it may be justified to subsidize it at times, as in the case of rural electrification. But Dickey-Lincoln does not fulfill any such welfare objective. Under the circumstances, the benefit-cost analysis of Dickey-Lincoln simply conceals from Congress the uneconomic nature of the project by employing a below-market interest rate, neglecting tax costs, padding the benefit stream, and disregarding other sources of power.

Transmission of the Dickey-Lincoln power from its far northern Maine point of production to the Massachusetts market also raises serious environmental and economic considerations. The proposed power line would cut a swath of environmental and aesthetic blight across New England, destroying habitat and promoting the use of herbicides. The transmission route recommended in the draft Environmental Impact Statement would cross northern New Hampshire near Errol, continuing south through Vermont to Boston. An alternate route, not the first choice in the draft report, would bisect the John Sloan Dickey Area in the Dartmouth College Grant, a portion of the Grant recently designated for special protection as a natural area.

How soon can Dickey-Lincoln put power on the market and how much is it needed? Six years after construction starts, if all goes well, Dickey-Lincoln power could be in Boston. In the meantime, power from the James Bay Development Corporation, a Quebec-owned hydroelectric project, will be looking for a market for its output, and there is no place for it to go but the United States. Premier Rene Levesque is anxious to sell ten billion kilowatt hours annually to New England by 1983—two years before the earliest possible Dickey-Lincoln power. Moreover, ten billion kilowatts of James Bay power annually is over eight times the expected yearly output of Dickey-Lincoln. But if Quebec's price is too high or if we are reluctant to trust the volatile Quebecers—although we have accommodated to an avaricious OPEC—pumped hydro power combined with conventional steam generation near the major market is the obvious lower-cost alternative to Dickey-Lincoln.

At least three alternative pumped-hydro developments are clearly superior to Dickey-Lincoln in terms of benefit-cost ratios—Great Barrington, with a benefit-cost ratio of 1.58:1; Fall Mountain, with 1.67:1; and Percy No. 3, with 1.56:1. These potential developments have the additional advantage

of being close to the main power market, thus avoiding extensive construction of new transmission lines. Moreover, the benefit-cost ratios for the pumped hydro installations are computed at an interest rate of ten percent, a project life of 50 years, and a five percent tax cost factor. In short, the analysis of the Great Barrington, Fall Mountain, and Percy No. 3 power options imposes substantially higher economic standards than are followed in the case of Dickey-Lincoln and still shows superior benefit/cost results.

How urgent is the need for more power in New England? The frequent reference to the energy crisis, the pleas for conservation of energy, and continued population and economic growth give the impression of an unchecked, burgeoning demand for a shrinking supply of energy. In the long run, New England will face increasing difficulties in meeting its energy needs, but for the short-term—say, the next eight to ten years—there will be no unusual pressure on energy supply sources. Indeed, because of the reduction in power consumption in response to rate increases—price is a greater persuader—and because of its moderate growth rate, New England has an exceptionally high electricity reserve. In 1975, for example, New England had an electricity reserve margin of around 50 per cent, compared with a traditional margin of around 20 per cent. This reserve margin will be reduced by future growth in electricity demand, but it affords the opportunity to delay major capital investment decisions in power production facilities.

This reserve margin is reported by the New England Federal Regional Council (NEFRC), an organization made up of representatives of agencies of the federal government that are involved in some way with New England energy problems. The federal agencies in the NEFRC include the Departments of Energy, Interior, Commerce, the Environmental Protection Agency, and—significantly—the Army Corps of Engineers. The NEFRC report of August 1977 forecasts that the average price of electricity in New England will decline in constant dollars between now and 1985. Before rejecting this forecast as simply evidence that the bureaucracy has lost touch with reality, note that this does not mean that electricity rates are going to drop, but that they will not go up as fast as the prices of other goods and services. Electricity rates are forecast to lag behind other prices in large part because of the reserve capacity buffer in New England power production.

But short term or long run, Dickey-Lincoln is economically and environmentally too costly. According to the Army Corps' estimate in 1976 prices, the project will cost more than \$822 million, but it is certain that the final figure will top a billion dollars as a result of the usual engineering modifications and price-level increases. By any standard, a billion-dollar investment is impressive, the more so in this case because it is economically unjustified, and even this extraordinary figure does not tell the full story. Environmental destruction does not carry a price tag, but it is an inescapable cost of Dickey-Lincoln power. ●

#### THE TRUTH ABOUT WATER IN THE WEST

HON. JAMES P. (JIM) JOHNSON

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. JOHNSON of Colorado. Mr. Speaker, in these times when flights

of rhetoric command more attention than the facts, it is important to take advantage of every opportunity to set the record straight. I refer, in particular, to the last several years when it has become fashionable to refer to public works projects as "ripoffs" and "boondoggles," while construction programs with social significance, such as subway subsidies and Potomac River water supply diversions, somehow are pictured as having benefits that are not subject to the same scrutiny.

Water resource development in the West has become a favorite target of those who do not know what they are talking about.

I submit the following article authored by Edward Keating, a Coloradan who spent 15 years divided between House and Senate staffs, as an exhibit of the real value of this Nation's investment in water resource development.

#### THE TRUTH ABOUT WATER IN THE WEST

(By Edward Keating)

Seldom in the history of the United States has any legislation been so woefully misrepresented as the legislation affecting water and Reclamation Projects for the West during the past several years.

Water and Reclamation Projects have been called "boondoggling"—wasteful money-spending ventures. When, as a matter of simple truth, they pay for themselves completely—many, many times over to the United States Treasury.

The purpose of this article is to set forth some facts and figures proving this truth.

In addition to the repayment of the loans, tremendous benefits are derived from water and Reclamation Projects. These benefits are not confined to local areas but extend to all sections of the country through increased and continuing revenues to the United States Government.

An outstanding example of the viability and economical soundness of such projects is the Colorado-Big Thompson (CBT) Project in the State of Colorado.

This Project was completed in 1956 at a cost of \$162,000,000. . . . "a mammoth water conservancy accomplishment with tremendous impact on a vast area of Northern Colorado . . .", to quote Ralph Partridge, Tribune-Eagle Editor, Cheyenne, Wyoming, March 20, 1977, edition. This same article states that Earl Phipps, Manager, Northern Colorado Water Conservancy District (NCWCD), Loveland, Colorado, reported recently that total value of crops produced in the district in 1975 was more than 280 million dollars. Of the total irrigation water used—about 25 percent was Project water. The balance was from local supplies. This indicates a crop value return of 70 million dollars per year from water furnished by the CBT.

The important thing about the irrigation water obtained from the Colorado-Big Thompson Project is that this water was supplied to the farmers during the arid periods of the summer when there is little rain and is depended upon as a reserve supply in years of drought like 1977. Many of the crops would have dried up and withered if it had not been for this water at the proper time. I like to call this "insurance water". Without it, the sugar beet crop and many other crops may have failed completely.

During this drought in the summer of 1977, without this "insurance water", the economy of northern Colorado could have been depressed tremendously and there would have been a sizeable loss to the Fed-

eral Government in income taxes. This would have been a serious blow to our already unbalanced budget.

From a national defense standpoint, we must recognize that the United States produces a small percentage of the sugar we consume.

If we were to go to war and our supply lines from abroad were cut off or endangered by submarine warfare, as in World War II, we could be in serious difficulty.

Ralph Partridge's article, referred to above, continues " \* \* \* economists say a dollar originated on the farm turns over seven times in commerce, in this case (1975) for an impact of 490 million dollars, (and) \* \* \* it was speculated some 20 percent or 98 million dollars wound up in the hands of the government as income tax".

To learn more about the Colorado-Big Thompson Project and particularly seeking an answer to the question most important to the citizens of the United States—"Are water projects worth the cost?"—I met several times with the very able Manager of the Northern Colorado Water Conservancy District, E. F. Phipps. The following analysis of the benefits-cost-ratio of the CBT Project is based on reports and statistics supplied by Earl Phipps.

The annual report for 1976 of the Northern Colorado Water Conservancy District states that: "The end of the year position in the Escrow Fund of \$2,163,000 brings that reserve to a point somewhat above the level needed to repay the Project on schedule".

This means that the funds for repayment of the Project loan by the NCWCD are more than adequate to meet the current payments.

This Project loan will not cost the people of the United States one red cent.

This Project also has a hydroelectric production of 700 million kilowatt hours per year—a feature Earl Phipps called "very significant in view of the energy shortage".

The United States Government has retained the ownership and right-of-sale to this hydroelectric production of power and, to date, has received nearly 98 million dollars in gross power revenues, independent of the normal payment of the farmer for the water.

After the farmers and power users have completely paid for the construction of the Project, the United States Government will continue to reap the benefits and realize the profits from the sale of this electric power at a rate in the area of \$4,550,000 per year as long as this dear old world of ours exists!

The power production of the CBT Project is 700 million kilowatt hours per year. Figuring that at 6.5 mills for the sale price of this power to rural electric organizations and various municipalities equals \$4,550,000 per year, or over, the 40-year repayment period, the sale of power alone will be \$182,000,000. Remember, the Project was completed at a cost of \$162,000,000.

Dividing the sale of power by the cost of building the Project (\$162,000,000) equals 1.1 to 1 total benefit-cost-ratio from power alone. In other words, the sale of power alone exceeds the cost of building the Project by \$20,000,000 during the 40-year loan period.

The sale of crops plus power equals approximately 17 times the benefits-cost-ratio of building the Project.

As stated above, the cost of building the Colorado-Big Thompson Project was 162 million dollars. The operation of the Project began in 1957. The annual crop value in 1976 was \$260,000,000. Twenty-five percent of this amount can be attributed to the CBT Project, or about one-fourth of the value of the crops. By conservation in various reservoirs, this "insurance water" was dispensed to the farmers when they needed it in peri-

ods of drought and in the dry summer during the growing season.

The 1976 crop value figures are lower than the 1975 figures because of the depressed prices of our agricultural products.

If we take one-fourth of \$260,000,000—or \$65,000,000—and multiply that by 40 years, which is the repayment period of the farmers on the loan from the Federal Government, this crop value is 2.6 billion dollars.

Now—taking the total crop value of 2.6 billion dollars and dividing that by the original cost of the Project (162 million dollars), we find that the total benefits-cost-ratio for crops alone from the Project is 16 times the cost of the Project.

The United States Government will receive direct revenues to the Treasury Department during the 40-year loan period of 29 million dollars from water users. The Government will receive an additional \$182,000,000 from the sale of power—or 1.3 times the cost of building the Project.

Practically all economists will agree with the estimate that every new dollar created in the economy can be multiplied by seven times in turnover through various economic channels.

This money—experts say—passes through banks, automobile dealers, appliance dealers, hardware stores, gasoline stations, groceries, etc., about seven times, thus benefitting the entire economy. Imagine the income taxes returned to the United States Treasury from these transactions.

It would be difficult for IBM, or any other computer, to compute how much this increase in production has helped the employment picture in the entire United States. One small example—a farmer in Greeley, Colorado buys a tractor and car. How many people per hour does this employ in Detroit and Akron?

If we take the 65 million dollars per year which is attributable in crop production to the CBT Project times the 40-year repayment period—that will equal 18.2 billion dollars gross increase in the economy. An estimated one-third of that amount—or 6.1 billion dollars—would be net taxable income to the United States Government at the estimated rate of twenty percent actual tax which will equal 1 billion 22 million dollars actual income tax paid to the United States Treasury together with direct payment of \$211,000,000. These payments to the Government will equal approximately 8.9 times the cost of the Colorado-Big Thompson Project alone!

Revenues to the Federal Government will increase with the growth of the population and inflation, and the ultimate return to the Federal Government will probably exceed twenty times the cost of building the Project!

There is no "boondoggling" or "porkbarrelling" in this Project. Far from being a boondoggle, it is a real BOON to Colorado and to the Nation.

In simple fact, it is one of the finest investments our dear old Uncle Sam has made in all the years of the Republic—and the benefits will continue forever.

In the face of these facts and the proven example of the highly successful and beneficial operation of the Colorado-Big Thompson Project (just one of many such projects) . . . WHY . . . have water and Reclamation Projects in general in the West been so misrepresented and criticized by certain people?

It may be that it is extremely difficult for midwesterners, easterners and southerners to understand and sympathize with the problems of the arid western States.

Almost everyone is aware of the general variances in geographic climatic patterns. We learn through study, travel and increasingly detailed national weather reports. But,

unless we live in a particular section of the country for a reasonable time, it is hard to realize the day-to-day effect of the local climate on the health, economy and general well-being of that area.

For instance—Mobile, Alabama, has 66 inches of rainfall annually. Compare this with 8.4 inches for Grand Junction, Colorado.

The relative humidity in Mobile averages 85 percent in the morning and 57 percent in the afternoon. In Grand Junction, the corresponding averages are 41 and 35 percent—with many days of 10 to 15 percent humidity.

The high humidity in such areas as Mobile permits the soil to retain moisture while the evaporation process in the dry areas like Grand Junction removes what little moisture there might be in the soil.

So, living in Mobile, one might have to think beyond the statistics to realize that only through artificial application of water to the land-irrigation can Grand Junction—with about one-eighth of Mobile's rainfall—grow the peaches and other premium fruit for which it is noted.

The annual average relative humidity in Washington, D.C. is 73 percent in the morning and 52 percent in the afternoon. Many days and nights the humidity is 90 to 98 percent. A recent weather report from St. Louis announced the temperature as 87 degrees with a relative humidity of 100 percent!

Our Nation's Capital receives about 40 inches of precipitation per year. Just the morning dew is sufficient to keep many lawns, vegetable gardens and golf courses green until the next rain, which is never far away. With 112 days of rain annually, Washington averages a rainy day about every three days. August and September are lower in rain and humidity.

In sharp contrast, the Grand Junction, Colorado, average is 70 days for 8.4 inches total precipitation during the entire year. And this rainfall or moisture on many of these days means only a brief shower or very light snow. All of this comes mainly in a short period during the winter and spring, leaving about 295 days of drought or extremely dry conditions out of the entire year.

If you live in Atlanta, Georgia, where the average relative humidity is 83 percent in the morning and 56 percent in the afternoon with an annual precipitation of 48 inches, you might understandably underestimate the devastating effect of a drought period in the West.

The noticeable effect when changing from a very dry climate to an area of high humidity was graphically and rather humorously described when a sportscaster for a Denver radio station in broadcasting a baseball game from Omaha, Nebraska, said something like this: "I feel like I can swim in this air. It is so heavily laden with moisture, I could just swim out and interview each player!"

In addition to the differences in the extent of moisture, the manner in which this precipitation occurs varies from one section of the country to another.

Looking to the West, a great deal of precipitation in the form of snow accumulates during a few winter months in the mountains of Colorado from 10,000 to over 14,000 feet high. There are 53 mountain peaks in Colorado over 14,000 feet—ranging from Sunshine Peak at 14,001 to Mt. Elbert with 14,433 feet.

This precious water resource must be impounded and brought down to agricultural and industrial areas, as well as municipalities, throughout the very dry summer months. In order to do so, we just have to build dams and reservoirs.

If permitted to keep all the water originating within the State, Colorado would be in a very good position. However, interstate water compacts between Colorado and other western States have been executed and legally processed. Under the Colorado River Compact, water with its origin in Colorado is distributed over a wide area.

For example—Arizona and Utah receive a portion, Los Angeles receives a portion, and even our good neighbors to the south, east and north in Mexico, Kansas, Nebraska, and Wyoming enjoy the benefits of water from the snow which has fallen in the high country of Colorado.

Without water and conservation, there would not have been—and cannot continue to be—agricultural, industrial and economical development in this vast area of the United States. The significant contribution to the Nation's economy, defense and taxes resulting from this development would have to be borne by other sections of the country such as New York, Texas, Pennsylvania and Louisiana.

Like any other good thing, there can be too much as well as too little. Too much water through prolonged rainfall, concentrated downpours in limited areas, or uncontrolled flooding can be as disastrous as severe droughts. Thousands die and millions of dollars of property damage is caused by floods.

This makes water control—to the extent humanly possible—imperative throughout the United States and especially in the arid West.

Certain facts have been set forth in this article concerning water sources, conservation, distribution and control.

The aim is toward a better understanding of the water situation and the problems peculiar to each section of this Nation.

As the population increases, so does the importance of careful, cautious and conscientious considerations of the conservation and equitable distribution of water.

There are many approaches to the management of our water resources put forth by various geographical, environmental, agricultural, industrial, and other groups that make up our country.

What we must have is the wise coordination of these proposals and ideas leading to a firm and fair course of action to make sure that the supply, conservation and distribution of our water keeps pace with the divergent demands in a manner most equitable to all concerned—and that means YOU—and—ME—and—ALL our fellow Americans.

Even more important than our individual comfort and security, the decisions which must be made regarding water will determine the future of our great Nation.

It is not a matter of whether we shall act now—or later—or never—it is simply a matter of life and death!

#### APPENDIX

##### Sources

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3. "Water Projects Big Income Booster". Ralph Partridge, Sunday Tribune-Eagle Editor. March 20, 1977. Cheyenne, Wyoming.

4. Annual Report 1976. Northern Colorado Water Conservancy District. E. F. Phipps, Secretary-Manager. Loveland, Colorado.

##### Notation

The following symbols are used in this article:

1. CBT—Colorado-Big Thompson

2. NCWCD—Northern Colorado Water Conservancy District

## WATER POLICY REFORM

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. EDGAR. Mr. Speaker, I recommend to my colleagues that the following article from the National Journal be reviewed as we consider what our water policy for the future will be:

### CARTER'S WATER POLICY REFORMS—TRYING NOT TO MAKE WAVES

(By Dick Kirschten)

President Carter once again is navigating in perilous waters. With the political shoals of 1980 drawing ever closer, he is trying to push ahead carefully with his water policy reforms.

In the last Congress, Carter plunged in boldly—some would say blindly—with his 1977 water projects "hit list" and almost found himself swept over the falls in a congressional pork barrel. Miraculously, the President emerged at the end of 1978 as a big winner when the House sustained his veto of a bloated water projects appropriations bill.

The bruises from that victory remain, however, and Carter appears to be trying to chart a safer course through the 96th Congress. His fiscal 1980 budget proposals for water resources spending have drawn fire from both reformers and defenders of the status quo—a sign that the President is somewhere in the middle of the channel.

The administration also is showing little enthusiasm for crusades to reopen the fight over user fees on the inland waterways or to halt the massive Tennessee-Tombigbee Waterway project, which is under fierce legal attack by railroad and environmental interests but—perhaps more significantly—is just as fiercely being defended by senior southern legislators who wield considerable power in Congress.

Nor will Carter, in pushing his natural resources reorganization proposal, include a frontal attack on the cozy relationship that has existed between congressional sponsors of water projects and the federal agencies that design and build them. See *this issue*, p. 398.)

Two key players in the multi-agency effort to implement Carter's water policy told *National Journal*, in separate interviews, that the Administration does not wish to get into any gratuitous new fights at this point. They hope to make some quiet progress without making too many waves. But even that won't be easy.

Eliot R. Cutler, an associate director of the Office of Management and Budget (OMB), said the Administration wants "to consolidate the strength" it showed in last year's veto victory and use it to get on with "the not-so-glamorous job of building some policy reforms into the system" for future federal water project decisions.

Assistant Interior secretary Guy R. Martin, who is spearheading the implementation effort, stressed the importance of "living with" some of the past congressional decisions that are not to the Administration's liking rather than "resurrecting those battles that already have been lost."

Looking ahead, the Carter forces have three immediate objectives in this session of Congress: the defense of their 1980 water projects budget; passage of a state-federal cost-sharing bill designed to give the states some leverage in the selection of projects;

and a quick infusion of funds for the Water Resources Council that Carter has tapped to set new project standards, review construction decisions and administer grant programs to promote state water conservation and planning efforts.

The cost-sharing bill—now being redrafted in light of objections by the states—faces a rough fight on its own. As for the Water Resources Council, it would have been wiped out last year if Carter had not prevailed with his veto. With many Members of Congress apparently still smarting over their failure to override that veto, Carter may find himself in hot water on all of these issues.

#### POLICY DEVELOPMENT

Last June, after a year-long study that originally was to have taken only six months, Carter sent Congress his promised message on new directions in national water policy. It was something less than the "comprehensive" master plan it had been billed as. The White House conceded that the message was only a beginning—"the initial stage of an important long-term effort." The President said he was offering "the goals and framework for water policy reform" that would have to be carried out in several stages.

But there was no mistaking the fact—as the Council of State Governments pointed out in a report last November—that Carter had bluntly challenged "traditional congressional domination in federal water policy decision making" and had questioned "congressional judgment in project selection." The fight was on.

"The basic issue raised by the President's initiatives," the council said, "is whether national water policy choices and program decisions should be made on the congressional appropriations battlefield or by the states, the Administration and Congress working together within the framework of some generally accepted principles and guidelines." The council clearly favors the latter approach.

Since June, 19 interagency task forces have been scrambling to find grounds for such general acceptance, not only among the states, the Administration and Congress, but within the sprawling, 25-agency federal water bureaucracy as well. The task has not been easy.

Carter's water policy has three major goals: to avoid wasteful or low-benefit water projects; to promote water conservation; and to bring the state governments into financial partnership through a state-federal cost-sharing scheme for future water projects.

To halt economically or environmentally unsound projects, Carter wants better federal planning. He has ordered the Water Resources Council to develop a new procedural manual to bring uniformity, consistency and accuracy to the previously suspect cost-benefit calculations that federal agencies have relied on to justify projects sought by Congress. The manual is to be in force by July, if all goes well.

As a further curb on extravagant projects, Carter wants Congress to face up to the total cost of each new project at the outset—not just the sum needed to get it started. He wants Congress to appropriate the entire amount needed to complete each project at the time it approves its construction.

To promote more efficient use of water, a variety of educational and research steps have been taken, including a Housing and Urban Development Department study of water-saving plumbing code revisions.

Water pricing is another key to the Carter strategy, not only to discourage unnecessary consumption but also to recover the costs of

building and operating projects. A "conservation pricing" bill that would allow higher-than-cost fees to discourage excess municipal and industrial consumption of water from federal projects is to be sent to Capitol Hill later this year.

To bring the states into the financing—as well as the selection—of water projects, Carter has proposed that no new project be approved unless a state has agreed to put up a set percentage of the total cost. In each year of construction, the state would have to pay its share of that year's costs in advance, and in cash. Where a project produces revenue, the state would share the take with the federal government in proportion to its contributions.

#### BUDGET PROPOSALS

Carter gave everybody something to howl about with his 1980 budget proposal for water resources. In terms of new budget authority, he proposed giving the federal water agencies a whopping 16.5 per cent increase. But in terms of outlays—the money to be spent in the coming year—the proposed increase was only 2 per cent, or far less than the rate of inflation. Included were 26 proposed new water projects, costing an estimated \$578 million to complete.

Perhaps the loudest howls came from the President's nominal allies in the water policy reform fight. One environmental organization—the Environmental Policy Center—fired off a press release that attacked two of the new projects, objected to continued spending on several older ones, including Tennessee-Tombigbee, and charged that "the Administration has abandoned its full-funding principle" with respect to a Mississippi River lock and dam that was at the center of last year's hassle over waterway users' fees.

Twelve House Members who supported Carter's 1978 veto wrote to the President on Feb. 5 to echo the criticisms of the environmentalists and to say that they were "greatly disappointed" with Carter's failure to "follow through" on his own policy initiatives.

On the very same day, however, a Carter emissary was being bombarded with complaints about a different aspect of the water resources budget at a meeting of the House Appropriations Subcommittee on Public Works. W. Bowman Cutler, OMB's executive associate director for budget, was informed in no uncertain terms that the subcommittee viewed the Carter policy as an executive power grab.

Rep. Virginia Smith, R-Neb., told Cutler that Congress is "not about to give up our stewardship" over water projects. And Rep. John T. Myers, R-Ind., said Congress would not act as "a rubber stamp" for the President's project preferences. The subcommittee and its staff are openly opposed to the full-funding proposal because it takes away their power to control the pace of construction. Once Congress appropriates the full project cost, OMB assumes control over the amount to be spent each year and, in theory, could choke off a project it did not favor. Subcommittee chairman Tom Bevill, D-Ala., also challenged the Administration's estimates of the costs of its proposed projects. "You'll come up short," he told Cutler.

A week later, OMB's Eliot Cutler was taken to task at a White House luncheon by Reps. Berkley Bedell, D-Iowa, and Robert W. Edgar, D-Pa., who took the other side of the full-funding argument. They wanted to know why Carter included only \$20 million in his budget to begin construction of a new Lock and Dam 26 on the Mississippi River near Alton, Ill. The full cost of the structure—which would replace the aging locks that have become a bottleneck for the

river's barge operators—is \$491 million, according to the Army Corps of Engineers' latest estimate.

Bedell and Edgar, no friends of the project, said Carter should have asked Congress to appropriate the entire sum needed to complete the facility. Although it would not affect the level of annual outlays, such a large appropriation, when added to the cost of other desired water projects, might put Congress, sensitive as it is to demands for reduced federal spending, in a bind.

That is just what environmentalists, who generally deplore water projects, would like to see. Brent Blackwelder of the Environmental Policy Center angrily denounced the Administration for treating Lock and Dam 26 as an incomplete, rather than a new, project. As Blackwelder argued in a press release, a full appropriation for the project "would virtually have precluded funding any other new starts."

In a Jan. 24 letter to OMB director James T. McIntyre Jr., Blackwelder pointed out that "this project was not even authorized until October 1978, and . . . not a spade of dirt has been lifted." In an interview, the environmental lobbyist said the Administration was backing down from its own idea "of forcing Congress to bite the bullet and accept the entire price tag if it wants to go ahead with a project."

At his Feb. 13 lunch with Bedell and Edgar, Cutler explained that OMB, as well as the congressional Appropriations Committees, view Lock and Dam 26 as an old project even though it has not yet been authorized. Congress voted funds in 1974 to begin land acquisition for the new facility, and some of that money was spent. In the bookkeeping for water projects, Cutler said, land acquisition is listed as a construction cost.

Bedell and Edgar told *National Journal* in interviews that they were partially satisfied by Cutler's explanation but intend to pursue the subject. They are among those who wish that Carter had vetoed the compromise struck last year by Congress on user fees for barge operators. Lock and Dam 26 had been held hostage by advocates of a user fee and its authorization was approved only when Congress and Carter accepted a tax on the fuel used by barge operators in lieu of a fee for the use of federal navigational facilities.

The compromise, fashioned by Sen. Russell B. Long, D-La., calls for a phased fuel tax, starting at 4 cents a gallon in 1980 and rising to a maximum of 10 cents by 1985, that goes into a trust fund that can be used only for new construction. The final outcome was a far cry from the original proposal, vigorously pushed by Sen. Pete V. Domenici, R-N.M., that would have imposed a system of user fees to recoup all inland waterway maintenance costs and half of any new construction.

Bedell was one of the leading House proponents of the Domenici bill, which originally had Carter's strong backing. The Iowa Democrat was sorely disappointed by the Administration's failure to insist on a tougher measure to reduce the subsidy enjoyed by the barge industry. He cited a 1977 Congressional Budget Office report that federal subsidies equal about 42 per cent of all barge revenues, compared with 3 per cent for railroads, 1 per cent for trucks and none at all for pipelines.

Bedell has a new bill this year to impose a modified waterway user fee on top of Long's fuel tax. The combined receipts by 1985 would equal 25 per cent of federal waterway expenditures.

The fuel tax alone, according to Bedell's calculations, will offset only 5 per cent of federal costs in 1981 and 10.2 per cent in 1985. Neither the Carter administration nor

Domenici, however, are in a mood to resurrect the user fee battle this soon. Bedell is going it alone.

Another subject on the agenda when Bedell and Edgar lunched with Cutler was the Tennessee-Tombigbee barge canal in Alabama and Mississippi. Serious questions about the project's economic justification have come to light in a recent court trial, and Sen. Gaylord Nelson, D-Wis., has prepared a bill to halt the \$1.67 billion project. Nelson hopes to force hearings on the project, which he characterizes as "the biggest pork-barrel boondoggle of them all." The project, according to a Nelson aide, is 364 percent over its original budget. Carter is asking \$165 million for it in fiscal 1980.

Cutler, in an interview, said that the Administration had decided not to take on the Tennessee-Tombigbee fight during its hit list review in 1977. At that time, a White House staffer—not Cutler—remarked that the reason was that "Sen. Stennis isn't dead yet." Sen. John C. Stennis, D-Miss., the chairman of the Armed Services Committee and second-ranking Democrat on the Appropriations Committee, is one of the project's most forceful boosters.

Cutler said he told Bedell and Edgar that "no new information" had come to light at the time the new budget was prepared to change the 1977 decision to continue the Tennessee-Tombigbee construction.

As for Lock and Dam 26, he said, "We just didn't want to muddy the waters with Congress about what our intentions are with respect to projects already started."

#### COST SHARING

An underlying theme of Carter's water policy is that better project decisions will be made if fiscal responsibility can be brought closer to home. Cost sharing is not new for federal water projects, but so far, state governments have not been asked to join in.

The Council on Environmental Quality estimates that the federal government pays an average of 70 percent of water project costs, with the remainder covered by local project sponsors or beneficiaries. "States seldom participate in project funding and do not play a major role in setting project priorities," the council pointed out in a recent report.

Carter—with cautious backing from a National Governors' Association panel—has decided that the time has come to make the states start picking up part of the tab. In return, the states would be able to influence the choice of which of their new projects would receive funds first. They also would be offered a chance to expedite work on previously authorized projects if they chose to share in the costs.

Three cost-sharing levels have been proposed. For non-revenue-producing projects, the state would put up 5 percent of the cost. Where there are potential revenues—and thus the potential for the state to recover all or part of its investment—the share is to be 10 percent. Finally, the flood control measures, where the non-federal requirement for "non-structural" measures—usually land acquisition—is now 20 percent, the same requirement would apply to "structural" measures—dams, levees, floodwalls and the like. This would eliminate the existing bias against non-structural solutions.

The governors' association, in endorsing "the concept of cost sharing" but not the draft bill, has taken a strong position in opposition to one provision—that states share in the cost of navigational projects such as the controversial Lock and Dam 26.

The draft bill—by categorizing navigational projects as among those considered to have revenue-producing potential (or "vendible outputs")—seemed to be designed with an eye toward encouraging the states to

push for higher waterway user fees. If states have to foot 10 per cent of the costs of future Lock and Dam 26 projects, they would certainly become interested in revenue-raising mechanisms that might eventually repay their considerable investments. Russell Long's fuel tax trust fund would be no help in that regard.

In a Feb. 13 letter to Interior Secretary Cecil D. Andrus, Gov. Scott M. Matheson, D-Utah, chairman of the governors' water policy subcommittee, warned that it would be difficult to apportion the regionally "diffused" benefits of most inland waterway facilities on an equitable basis.

Aside from the prospect that states where facilities such as locks and dams may be built could be unfairly burdened by the cost-sharing requirement, Matheson went a step further and noted that the draft bill also would apply to port and harbor projects "crucial to strengthening the U.S. position in international trade."

The Utah governor archly added, "There has been no companion suggestion that the federal government share with states the substantial customs revenue which ports and harbors generate."

In an interview, the Interior Department's Martin indicated that in all likelihood navigational projects will be dropped from the cost-sharing bill, or at least from the 10 per cent state sharing requirement. The matter was discussed at a recent policy meeting, Martin said, and "we agreed that the navigational projects have vendible outputs, but they aren't being vendible."

The Interior official also indicated that another potentially controversial provision relating to reimbursement by project beneficiaries and indirectly, by the states, for federal dam safety expenditures also would be dropped. "OMB wanted that in there because they got beat when it was before Congress last year," Martin said. "But there is no reason to think we would win it this year either."

#### WATER RESOURCES COUNCIL

One of the most ticklish challenges facing the Administration is to get Congress to quintuple the budget of an agency that the legislators attempted to kill just a year ago. That agency is the Water Resources Council, a small, independent body governed by the heads of larger governmental agencies and with a record of unimpressive achievement.

Carter, however, is counting on the council to write strict new rules for the heretofore rough-and-tumble game of calculating water project costs and benefits and to create a new independent review team to see that those rules are honored. The President also wants to expand the council's \$3 million-a-year program of state planning grants to \$25 million and to add another \$25 million annually for state technical assistance grants to promote water conservation.

To get all of these objectives rolling, the council is asking for a \$49.2 million supplemental appropriation for the current fiscal year and permission to reprogram \$431,000 in unspent funds from its 1978 budget. Its current \$12.7 million appropriation was bestowed begrudgingly by Congress in the post-veto compromise it struck with Carter. In the bill vetoed by the President, the council got nothing, although some of its functions were to be reassigned to the Interior Department.

The supplemental and reprogrammed funds would bring its total budget to \$62.3 million, roughly equivalent to the \$61.2 million that Carter proposed for the agency in his 1980 budget.

Most of the supplemental funds—\$47 million—are being sought to bring the two state

grant programs up to the new levels Carter desires. The planning funds would let the states become more sophisticated partners in the new water policy that the President envisions. The conservation grants would be used for public education and research but not equipment or other hardware.

Another \$2 million is needed to get the council started on a major study to weigh the environmental and other impacts of increased commercial traffic on the Upper Mississippi River system. This study was authorized as a part of the Lock and Dam 26 compromise.

Last, but by no means least, the council wants \$625,000 to assemble and find working space for the independent review panel that Carter, by executive decree, has ordered to be in operation by next month. This team, which would not judge the merits of water projects but only check the procedures followed in bringing them to the point where construction funds are sought, is expected to review new project starts for the fiscal 1981 budget.

The council received a new lease on life when Carter rejected a proposal by his reorganization advisers to fold the agency into a new Department of Natural Resources, built around the nucleus of the Interior Department. Instead, it will remain independent, even though its chairman would continue to be the Interior (or Natural Resources) Secretary.

State officials and others had objected to the transfer of the council and its functions to a Cabinet department responsible to the President. Instead, they would prefer a fully independent council with state representatives—perhaps several governors—sitting as voting members.

Carter's reorganization plan had originally also called for the transfer of the water planning and design functions of the Army Corps of Engineers and the Agriculture Department's Soil Conservation Service to the new department.

The corps, in turn, would have picked up the construction functions now performed by the Soil Conservation Service and the Interior Department's Bureau of Reclamation while retaining its current construction duties.

The intent was clear: to strip the corps—and its congressional allies—of the power to plan and promote its own projects. Instead, the new department would have determined whether to move ahead on water projects of all kinds.

In the face of strong opposition, especially from the corps and its supporters, Carter rejected the proposed changes.

Domestic Policy Staff chief Stuart E. Eizenstat made it clear at a March 1 briefing on the reorganization plan that the Administration will face a tough enough time trying to sell Congress on major "substantive changes" in the way water projects are planned and financed. He added, "It didn't make sense . . . to dilute our attention" with a fight over the organization of the water agencies.

"We are far from giving up in terms of reforming the whole water area," he insisted, but "our major water battle this year" is to sell Congress on such concepts as full funding and state participation. "It is going to take all our resources."

Clearly, the President has ordered his helmsmen to steer a cautious course. ●

#### OTA REPORT ON TECHNOLOGY AND EAST-WEST TRADE

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. UDALL. Mr. Speaker, in the wake of the Soviet invasion of Afghanistan, the Congress and the country are engaged in a major reassessment of U.S. trade and other relations with the Soviet Union, the People's Republic of China, and other segments of the Communist world. The Congress has approved most-favored-nation status for the People's Republic of China. The President has taken or proposed such steps as an embargo on high technology exports to the Soviet Union and a boycott of the Olympic games.

I commend to my colleagues an especially timely, clear, and cogent study of these and similar issues called Technology and East-West Trade by the Congressional Office of Technology Assessment (OTA). Done at the request of the House Committee on Foreign Relations and the Senate Committee on Commerce, Science, and Transportation, this report was released late last year at hearings held by the Subcommittee on International Finance of the Senate Committee on Banking, Housing, and Urban Affairs. The star witness at those hearings, McGeorge Bundy—the former national security adviser to President's Kennedy and Johnson and former head of the Ford Foundation—called the report "the best I have seen in some 30 years of intermittent attention to the subject" and congratulated OTA on "an unusually clear and thorough analysis of this tangled and hotly debated subject."

Mr. Speaker, I attach a brief summary of the OTA report on "Technology and East-West Trade":

#### TECHNOLOGY AND EAST-WEST TRADE

Although Western technology contained in civilian products sold to the Soviet Union has contributed to its military potential, it is unlikely that any unilateral action of the United States could have prevented this—or could do so in the future. Almost any high technology, even though its purpose and function is civilian, may have some military use. U.S. export controls do a good job of preventing the transfer of primarily military technologies to the Communist world, but a conclusive determination of the degree of military risk entailed in the sale of these so-called "dual-use" technologies is probably impossible. Existing multilateral arrangements designed to minimize that risk work reasonably well.

These are among the conclusions of the OTA report *Technology and East-West Trade*. The report looks not only at the military, but also the political and economic costs and benefits to the United States of trading—especially in technology—with the Communist world. It reviews the controversy over whether such trade can or should be used to obtain foreign policy leverage. It also examines the East-West trade policies of four of America's major allies—West Germany, France, Great Britain, and Japan—and finds them significantly different from

that of the United States. Finally, it provides background information on existing U.S. export policies and regulations, and on the use which Communist nations have made of Western technology.

Trade with the Communist world plays a relatively small part in U.S. foreign trade. The absolute value of Communist trade with Western nations is low and the United States has captured only a minor share of that limited market. The policy most likely to increase the U.S. share of trade with Eastern-bloc countries is the extension of official credits to those Communist nations currently ineligible for them. In the long run, however, dramatic growth in the total volume of East-West trade is contingent upon an increase in the ability of the East to export to the West.

East-West trade has always been economically more important for Western Europe and Japan than for the United States. While our allies do not deny the basic necessity of withholding items of direct military relevance from Communist nations, they generally do not share the concerns expressed in the United States over the political, military, and strategic implications of transferring dual-use technologies. In Japan, West Germany, France, and Great Britain, the sale of technology is seen as primarily an economic issue and any use of export controls for political purposes is largely eschewed.

Because of its position of leadership in a number of technologies of critical military significance, the United States may legitimately feel it has a special responsibility to ensure their safekeeping. If it can play this role with intelligence and integrity, the United States may be able to initiate and maintain a strong and unified Western-bloc position on the transfer of military technologies. However, the United States is not the sole source of most of the dual-use technologies desired by Communist nations and this foreign availability constrains its unilateral influence over their transfer.

In sum, it appears most unlikely that actions taken by the United States alone could lead to: (1) a dramatic increase in our trade with the East, (2) a dramatic decrease in the military risks associated with existing trade, or (3) a significant reduction in the technologies the East can purchase, given the existing attitudes of other Western nations. ●

#### OAKLAND'S DAVID JOHNSON: INVENTING ENERGY

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. STARK. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding work of a citizen in my district.

David Johnson of Oakland, Calif., has spent thousands of hours and close to \$100,000 in his independent effort to perfect a new and exciting engine model that converts heat energy into mechanical movement.

His model involves a nitinol process which is based on the energy releasing reactions of a nickel-titanium alloy when it is immersed in water.

The potential for the application of this nitinol process in the field of geothermal and solar energy makes Mr. Johnson's project of national interest, and therefore worthy of our recogni-

tion and the Department of Energy's support.

A Los Angeles Times article about David Johnson and other private citizens working to solve our energy difficulties follows:

#### INDIVIDUALS TRY TO SOLVE ENERGY WOES (By Robert A. Jones)

OAKLAND.—When David Johnson first became intrigued with the idea of a nitinol engine he had seen only a small working model in a University of California laboratory. It was the first such engine in the world, a metal wheel turning in a bath of hot water, using the water itself as a source of energy, Johnson was fascinated.

But as he watched the wheel revolving in the tub of water, it seemed to him that the design incorporated a certain awkwardness. The moving parts, of which there were many, did not flow smoothly, and the action of the engine itself sometimes was fitful. Johnson, a physicist at the university, believed he could do better.

That was six years ago, and Johnson's smudged and cluttered shop in the industrial flats of Oakland now contains a cluster of nitinol engines. Each is unique and each, almost as if by magic, begins to whirl contentedly when thin nitinol strips are brought into contact with hot water.

In the intervening six years, Johnson has become obsessed with the development of the nitinol process, which could have far-reaching applications in the field of geothermal and solar energy. Thousands of hours have been spent in his shop, perfecting models that have become increasingly sophisticated, more powerful and ever closer to a design that will be commercially usable.

Johnson is one of thousands of people in this country working on private projects that may eventually contribute to the solution of the nation's energy crisis. Working alone, without the help of large corporations or universities, they have relied almost entirely on their own resources and the belief that their idea is singularly valuable.

But last year Johnson became the beneficiary of a recent federal program that is designed to exploit the potential of the nation's private inventors.

For the first time the government, through the Department of Energy, has initiated a program of grants to finance projects by individuals that offer promise in the field of energy development.

The grant program is not extensive and the financial awards are not large. Last year about 12,000 people applied for development funds and about 600 were approved. Most grants fall in the range of \$5,000 to \$25,000, with a maximum of \$50,000. In contrast, the government plans to spend \$762 million this year for development of the experimental breeder nuclear reactor.

But administrators of the program in the Energy Department's Appropriate Technology Office say a timely grant, although small, can be crucial in keeping a project alive. If the idea eventually results in energy savings, they say, then the whole nation can receive a large benefit from a small investment.

"In the beginning there was the worry that the program would end up funding perpetual motion machines," said Berg Lucarelli, a technical consultant for the energy grants. "A lot of people were leery, we think we have proven now that there is a wealth of useful ideas outside the more traditional research institutions. The genius of the individual is still working here."

In the case of the nitinol engine, the federal grant may well allow David Johnson to transform the process from a laboratory oddity to a useful tool. If he does, Johnson

will have invented a far more economical engine for use with low-temperature heat from solar collectors or geothermally-heated water.

The nitinol process is based on the surprising behavior of a nickel-titanium alloy for which the process is named. Although most metals react to temperature change, nitinol does so dramatically. A lanky spring of nitinol dipped into hot water will contract suddenly and with amazing force.

To the uninitiated, the reaction of nitinol to hot water often seems to suggest something alive, but in fact it represents an acute and direct transformation of heat energy into mechanical movement.

By the time he applied for the federal grant, Johnson estimates he had invested about \$100,000 of his own time and money in the project. At that point he had proved that his models would work efficiently and smoothly, but they remained mere models: The net power of any one machine was tiny, and to establish credibility Johnson believed he needed a prototype that would produce a full horsepower.

The goal of the grant, then, was to produce engines that approached some practical size. Johnson had a number of ideas as to how larger machines might be built, but he did not have the money to pursue his notions.

Last year Johnson was awarded \$16,500. Several approaches were tried, some successful and some not, and now Johnson believes a one-horsepower nitinol engine is attainable within a year.

Although Johnson's engine is one of the most exciting of the grant projects, many others are equally ingenious. A man who lives near Santa Cruz and earns his living as a professional clown was awarded a \$10,000 grant to develop a machine that grinds up waste from the forest floor and compresses it into burnable logs.

Richard Linebarger, the developer, says the log maker thus far has not proved economical for its designed purpose largely because of labor costs but he believes it may find a related use in compressing logs from tree and lawn clippings in cities.

In Hawaii a man is adapting a system he discovered in Thailand whereby outboard motor propellers are mounted on a long shaft trailing a boat. The long shaft works on the principle that water several feet to the rear of the boat is moving faster than that immediately behind it. Thus, the inventor believes, a propeller pushing against the fast-moving water will be more efficient and energy will be conserved.

An electronics specialist in San Francisco is building a microcomputer that would govern electricity use in the home. When the overall consumption in the home reaches a limit set by the homeowner, the computer would automatically shut down certain expendable appliances for short periods. If installed in enough homes, the developer believes such a device could substantially reduce the "peaks" in electricity demand that in recent years has troubled utilities and required the construction of new power generators.

Other projects in the grant program do not involve the development of mechanical devices but rather what Lucarelli calls "a change in a process, a slightly better way of doing something." Often, he says, these more mundane projects offer the most exciting prospects for energy conservation.

A study by the Lawrence Berkeley Laboratory found, for example, that the greatest energy saving among 20 selected projects stems from a proposed system of man-made

lagoons to digest sewage waste naturally and simultaneously produce methane or natural gas.

For a small such facility that processes a million gallons a day, the energy savings over a conventional waste treatment plant amounts to 66,000 kilowatt hours a year. In addition the digester would produce an estimated 6.84 million cubic feet of natural gas annually.

Another project with large potential savings involves a workshop in Arizona to assist homeowners in installing a simple solar hot water heating system. Although commercial installations normally cost in the range of \$2,000 to \$3,000, the Arizona workshop has targeted the cost of its system at \$300 to \$400.

Because its low cost would make solar heaters attractive to a large number of homeowners, the Berkeley study projected that as many as 15,000 new hot water systems could be developed in a period of five years.

For all 20 projects the study concluded that the energy savings potential was "impressive." Over their lifetime it estimated the savings at an equivalent to 9.8 million barrels of oil.

Some of the projects could turn into bonanzas for the inventors themselves. The Department of Energy does not forbid, and in fact even encourages, grant recipients to patent energy devices that turn out successfully. Although no one yet is known to have reaped a fortune, grant administrators say that a product filling the right niche at the right time could well produce great financial rewards.

But not all those involved in the program have been pleased with the results. In some cases grants have been so small that developers have been left stranded in the midst of their projects without money to complete even a prototype model.

Brad MacMillan, who received the grant for a home microcomputer, says the \$7,600 barely covered costs for developing concept drawings of his device. "I've spent an entire year running around trying to get enough money to build one, just one," he said. "Pretty much I've met a stone wall."

In such a case, MacMillan argues, the government is in the position of starting a project and then abandoning it without ever knowing whether the device will work or not. "You wonder whether it's a real program or a sham, just something for public relations," he said.

Energy administrators concede that lack of funds often forces them to make painful choices. Last year, for example, about \$300 million was requested for 12,000 projects but the program had only \$8.4 million to distribute nationwide. Under such restrictions, they say, many worthwhile ideas are rejected.

Meg Schacter, Western regional director of the program, says nonetheless it is growing and that in the future a higher percentage of applications will be approved for support. This year, she says, national funding will increase to \$10 million.

Schacter noted that the energy office will soon begin consideration of applications for the 1980 awards. Applications for grants can be obtained by writing to Schacter at Energy Programs, Department of Energy, 111 Pine St., San Francisco 94111.●

## THE STATE OF THE ARTS AT STATE AND LAND-GRANT UNIVERSITIES

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. FORD of Michigan. Mr. Speaker, the Congress is now considering reauthorization of the National Endowment for the Arts. I would like to call to the attention of my colleagues a study recently published by the National Association of State Universities and Land-Grant Colleges, with the support of the National Endowment for the Arts. This study, "The State of the Arts at State and Land-Grant Universities," has been distributed to each Member. Based on a national survey of 232 campuses, this study is a valuable resource on teaching, research, and public service programs in the arts. It makes no recommendations for legislative action, but rather documents for the first time the special relationship between the arts and public institutions of higher education in the United States.

The report highlights the role of State and land-grant universities as patrons of the arts, who provide showcases for professional artists and their works in their concert halls, theaters, lecture halls, museums, and galleries. For example, respondents to the survey reported 4,036 exhibitions of art or craft works and 10,731 musical, opera, dance, and theater performances presented on campus by faculty, students, and nonuniversity artists during a single year.

The report also documents that State universities and land-grant colleges have become major centers for career education and training in the arts through extensive curriculums offerings, public exhibitions, performance, and professional experience. Respondents reported a total of 21,891 courses offered in 23 arts disciplines in the fall of 1977, and student enrollments of 135,473 in these courses, which were taught by 8,329 faculty.

The report also includes data on the distribution of arts faculty by discipline, sex and tenure status; the number of arts degrees awarded; arts programming in the visual and performing arts; continuing education courses in the arts; campus arts facilities; and public and private sources of support for the arts on campus.

In the public service arena, extension services in the arts based at State and land-grant universities bring arts courses to specialized populations, such as the elderly, the imprisoned, and the handicapped; to thousands of elementary and secondary school students, many of whom have never before seen a play, heard a concert, or visited a museum; to residents of rural areas, where scattered populations discourage quality touring companies, and to residents of urban areas, where the high cost of tickets discourages at-

tendance. Faculty and students at our Nation's major public institutions of higher education offer quality arts programs to all Americans, regardless of where they live or what their income level is.

I commend the National Association of State Universities and Land-Grant Colleges and the National Endowment for the Arts for their cooperative venture in producing, "The State of the Arts at State and Land-Grant Universities." This excellent report will help the Congress and the Nation to appreciate the rich activities in the arts underway at our Nation's major public universities. These institutions serve future career professionals—arts majors; broaden the esthetic sensibilities of tomorrow's citizenry—students who major in nonarts disciplines; upgrade the expertise of career artists, arts educators, and arts administrators—practicing professionals—through continuing education courses; and enrich the lives of people with an avocational interest in the arts who can attend high quality musical and dramatic performances on campus or take a noncredit art course.

"The State of the Arts at State and Land-Grant Universities" documents the fact that State and land-grant universities offer broad access to quality arts programs. I urge my colleagues to read it.●

JAMES CASSANO

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. SCHULZE. Mr. Speaker, it gives me great pleasure to share with my colleagues the following tribute to the outstanding contribution and accomplishments of one of my constituents, District Manager James Cassano, who is retiring after 42 years of loyal service to the Social Security Administration. The fact that it was written by his fellow worker, Assistant District Manager W. B. Hopkins, is a true measure of his integrity and commitment.

The article follows:

TRIBUTE TO JAMES CASSANO

Mr. Cassano began his career with Social Security in Baltimore, Md., as a clerk on February 10, 1938. Coming up through the ranks from GS-1 to his present GS-13 position, Jim was first promoted to District Manager of the Uniontown District Office in 1954. He opened the West Chester District Office on October 29, 1956, and has been its only manager since that time. He has seen the office grow from a staff of 8 people in 1956 to a staff of 29 people today. The workload has increased from 8,097 beneficiaries in 1955 to over 37,000 beneficiaries today.

His leadership qualities and managerial skills are to be admired as the West Chester Social Security Office commands a reputation as good as any Social Security facility in existence.

A long time resident of West Chester, Jim has been very active in many community

service activities including the Exchange Club, serving as President of the West Chester Club and in 1969-1970 as President of the Pa. District Exchange Clubs. In 1972 he was named Mr. Exchange of the Year by the Pa. District Exchange Clubs;

Jim was a member of the Chester County Health and Welfare Council for many years and served on its Inter-Agency Executive Committee for a number of years.

As a result of his long period of service as Chairman of a combined service club and Salvation Army food drive, the Salvation Army presented him with its highest honorary award to private citizens in 1974.

Jim served as a member of the Advisory Board of the Greater West Chester United Fund for several years. For the past 22 years, he has assisted in conducting the annual United Fund campaign in West Chester.

He has served as a member of the Chester County Retired Senior Volunteer Program (RSVP) Advisory Committee to assist the Executive Director in administering the RSVP program in Chester County.

He has served as a member of the Advisory Group of the Chester County Services for Senior Citizens since its inception over seven years ago.

Jim is a member of the Elks Club of West Chester, and the West Chester Order of Sons of Italy.

He is a member of the St. Agnes Roman Catholic Church in West Chester and has served as a Rector in that church for over seven years.

Though the Social Security Administration loses his services now, I am certain that the residents of Chester County will continue to benefit from his superior abilities as he continues to serve in his various community activities. We say at this time, Thank you Jim for a job well done.●

#### OTA REPORT ON ENVIRONMENTAL CONTAMINANTS IN FOOD

### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. UDALL. Mr. Speaker, this past December the Congressional Office of Technology Assessment—OTA—released the first comprehensive study of Federal and State efforts to protect the public from the accidental contamination of food by PCB's, Kepone, PBB's, and other toxic materials. This report, "Environmental Contaminants in Food," was requested by the House Committee on Interstate and Foreign Commerce.

In receiving the OTA report, our distinguished colleague, BOB ECKHARDT, chairman of the House Commerce Oversight and Investigations Subcommittee, commended OTA for its valuable contribution to our understanding of the problem of food contamination. The OTA report, Congressman ECKHARDT said:

Raises most of the issues that need to be addressed \* \* \* and also provides constructive options for change.

The summary of this report is available as a separate self-mailer for Mem-

bers of Congress to send to constituents, district offices, and interested local agencies.

Mr. Speaker, I attach a brief summary of the OTA report, "Environmental Contaminants in Food."

#### ENVIRONMENTAL CONTAMINANTS IN FOOD

Environmental contaminants in food have become a nationwide problem. Between 1968 and 1978, according to an OTA survey, 243 food-contamination incidents were reported in this country. (Environmental contaminants include organic chemicals, metals and their derivatives, and radioactive substances that inadvertently enter the human food supply through agriculture, mining, industrial operations, or energy production.)

Although the United States has escaped mass poisonings such as have occurred in other industrialized nations, nearly all U.S. residents carry detectable residues of some environmental contaminant in their bodies. Studies indicate that some contaminants present at low levels in U.S. food cause physiological changes in humans, but the long-term significance of these changes is uncertain. Between 1968 and 1978, at least \$282 million in food was lost to contamination. This conservative estimate only includes 30 percent of the known incidents and ignores hidden costs such as medical expenses and lost workdays.

Although the Federal Food, Drug, and Cosmetic Act (FFDCA) contains no specific provisions for environmental contaminants, the Food and Drug Administration (FDA) does set permissible levels (either "action levels" or "tolerances") for all known contaminants. FDA relies on informal action levels more than formal tolerances because tolerances can only be set through complex, time-consuming procedures. FDA is not required to review these informal judgments, nor to commission new toxicological studies even when available data are inadequate. When setting regulations FDA attempts to balance the cost of the food lost against the degree of public health protection gained.

Federal and State monitoring of food is primarily regulatory, designed to ensure that environmental contaminants do not exceed prescribed action levels or tolerances. Consequently, contamination involving unregulated substances is rarely identified before it becomes a major problem. None of the major environmental contamination incidents in this country (PBB, PCB, Kepone, and mercury) were initially discovered by ongoing monitoring programs. In each case, actual human or animal poisonings—either at home or abroad—alerted authorities to the danger.

Managing contamination incidents can be difficult because the Federal and State agencies involved sometimes do not coordinate their activities. Efforts are hindered further by the complexity of the American food system and the rapidity with which food is moved through the system.

In light of these findings, Congress could: 1) allow the present system to continue; 2) amend FFDCA to require the establishment of tolerances, simplify administrative procedures through which tolerances are set, clarify the weight economic criteria can have, and/or grant FDA authority to set regional tolerances; 3) establish a national monitoring system to detect unregulated chemicals in food; and/or 4) designate a lead agency or establish a center to orchestrate the delivery of Federal assistance to affected areas.●

#### SRI LANKA'S INDEPENDENCE

### HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. ZABLOCKI. Mr. Speaker, today, February 4, the 32d anniversary of Sri Lanka's independence, is a fitting opportunity for us to recognize the political, economic, and social achievements which have marked that country's history as a free, democratic society.

Sri Lanka has held seven general elections since it achieved independence in 1948, and the Government has changed hands at six of them, a record for democracy-in-action in postcolonial Asia. Voter participation in general elections has averaged over 80 percent for the last 15 years, certainly an accomplishment which we in the United States should envy.

Sri Lanka's successive governments have achieved a record of meeting the basic human needs of their country's people which is unequaled in the developing world. Although the country's per capita annual income is only about \$200, average life expectancy is 68 years, roughly equivalent to the rate for the District of Columbia. The country's adult literacy rate is 78 percent, and its population growth rate is estimated at 1.6 percent annually. According to the World Bank, Sri Lanka has about 1½ times the life expectancy, three times the literacy, one-fourth the infant mortality and half the birth rate that are typical of countries at its per capita income level.

Since President J. R. Jayewardene took office in 1977, the Sri Lankan Government has taken important steps to reverse the trend of economic stagnation and high rates of unemployment which had stifled economic growth. In order to restore free market incentives, foreign exchange restrictions have been liberalized, import and export controls dismantled, and the tax system overhauled to encourage savings and investment. The country has established a free trade zone to attract foreign investments and has embarked on an ambitious water control and land reclamation project, the accelerated Makaweli development program. As a result, the Sri Lankan economy grew by an impressive 8.2 percent in 1978, and its growth rate is expected to remain at 6 percent or better for the next several years.

Sri Lankans have every right to salute their past with pride and their future with confidence. I am sure we join with many other nations in taking the opportunity of their national day to offer them our congratulations and best wishes.

Additional information follows:  
EMBASSY OF THE DEMOCRATIC SOCIALIST  
REPUBLIC OF SRI LANKA,  
Washington, D.C., January 22, 1980.

HON. CLEMENT J. ZABLOCKI,  
U. S. House of Representatives,  
Washington, D.C.

MY DEAR MR. ZABLOCKI: As you know, February 4 marks the National Day of Sri Lanka and this year we will be celebrating the 32nd Anniversary of obtaining our independence from the British Crown. I recall with appreciation the references you have made in the past in the House about Sri Lanka on this occasion. I am therefore venturing to request you once again to make a suitable reference to my country on the floor of the House this year too. Knowing your continuing interest in and affection for Sri Lanka, I am sure that you will be able to respond favourably to this request.

I am enclosing an Aide Memoire containing information on Sri Lanka both in general and with particular reference to the progress made over the last year which may be of value in formulating your remarks.

With kind regards,

Yours sincerely,

ERNEST COREA,

High Commissioner for Sri Lanka in  
Canada and Charge d'Affaires a.i.,  
Washington.

Enclosure.

#### AIDE MEMOIRE

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA  
NATIONAL DAY—FEBRUARY 4, 1980

February 4, 1980 marks the 32nd anniversary of Sri Lanka's achievement of independence. The transformation from British colonial rule to independent nationhood was brought about by persuasion and negotiation. In the same spirit, the country's people and leaders have worked together to establish and nurture a politically stable society, in which the forms and values of democracy are firmly entrenched. Universal adult franchise, introduced to the country in 1931, is a cherished and freely exercised right. Several general elections have been held in Sri Lanka since independence was achieved in 1948. The reins of Government changed hands at six of them, thus establishing for Sri Lanka a record of democracy-in-action, which is unmatched in post-colonial Asia. For the past 15 years, voter turnout at general elections has averaged over 80 percent, testifying to the political maturity of Sri Lanka's people.

Until 1972 Sri Lanka retained the British monarchy as the constitutional head of state. In 1972, a Republican constitution was adopted, and with its inauguration in May 1972, the traditional name of Sri Lanka (meaning Resplendent land) was restored. The Governor General who had represented the British Monarchy was replaced by a titular President, nominated by the Head of Government (Prime Minister) elected by the people of Sri Lanka. This essentially British type of Parliamentary Government continued until 1978, when a further constitutional change was made. Mr. J. R. Jayewardene, under whose leadership the United National party was returned to office with an overwhelming majority in Parliament, in July 1977, had consistently campaigned for the establishment of a Presidential form of Government capable of increasing the level and pace of national development without in any way eroding the country's democratic freedoms. Such a constitution was endorsed by Parliament, and became effective on the 7th September 1978. It reflects the best in the constitutional practices of the U.S.A., France and Britain, adopted to the specific conditions and desires of the country and people of Sri Lanka. Sovereignty of the people is exercised through Parliament, which has been declared supreme. Legislative power is vested in Parliament and, unlike the American system, the President has no right of veto over legis-

lation passed in Parliament. The executive power of the people is vested in the Presidency. The President is elected directly by the people for a fixed term of six years, and he is not dependent on a majority in Parliament. This arrangement, which provides for executive stability, is considered indispensable for a developing country like Sri Lanka. Parliament initiates legislation and voices the aspirations of the people. The President, on the other hand, ensures that the vital connecting links in the execution of such legislation are maintained.

The rule of law is ensured in the constitution by a strict separation of powers between the executive, the legislature and the judiciary. An independent judicial system ensures the right of every citizen to equality before the law.

The constitution also ensures a fair and just solution to the historic grievances of the Tamil speaking minority in Sri Lanka, particularly in the area of language rights. While Sinhala, the language of the majority remains the official language, both Sinhala and Tamil were made national languages under the 1978 constitution, the use of Tamil in Government offices and in the Low Courts has been constitutionally guaranteed.

Equal opportunities for every Sri Lankan citizen, irrespective of ethnic origin or religion are guaranteed under the constitution. Past experience has shown a certain looseness in the provision of the constitution as regards the fundamental rights to be enjoyed by the people. In the new constitution there is a specific chapter dealing with fundamental rights. This chapter embodies all 30 clauses contained in the U.N. Universal Declaration of Human Rights.

Sri Lanka's foreign policy, has been one of non-alignment, in its purest form. Sri Lanka's perception of non-alignment, and its overall approach to world affairs, were articulated in the following terms, by President J. R. Jayewardene, speaking at Havana last year:

"Let not man raise his hand against man. Let him speak the language of peace and friendship. Let the love that passeth human understanding prevail. May they seek to solve their problems by discussion and not by war."

From August 1976 when the Conference of the Heads of State and Government of Non-Aligned countries was held in Sri Lanka until September 1979, Sri Lanka served as the Chairman and the Co-ordinator of the Non-Aligned Movement. This Movement which now consists of over 90 members has been a vital force in the deliberations of the United Nations, and has played an increasingly significant role in international affairs. As Chairman, Sri Lanka sought to maintain the founding principles of non-alignment, and when it gave up the gavel of office, President Jayewardene said that he was "glad and proud" to hand it down with the movement "untarnished and unaltered." Sri Lanka's consistent aim within the Non-Alignment Movement has been to introduce a sense of moderation, in discussion, and to protect internationally accepted principles as basic as non-interference and sovereign integrity.

Sri Lanka's truly non-aligned position was demonstrated during the Non-Aligned Heads of State and Government conference held in Havana (September 1979) where the Sri Lanka delegation consistently pursued the objective of moderation and restraint.

A point of particular interest to the American public would be that Sri Lanka entered a reservation on the section in the Havana Declaration dealing with Puerto Rico. While Sri Lanka supports the principle of self-determination for the people of

Puerto Rico, its expression of a reservation implies that the formulation in the Havana Declaration does not accord with Sri Lanka's position on this issue.

#### Basic human needs

Successive governments in Sri Lanka have shown their commitments to meeting the basic human needs of the people. Sri Lanka's achievements in the realm of food, education and health are particularly impressive. In the last 25 years, Sri Lankans have:

Increased their food consumption by about 15 percent to 2,200 calories per capita;

Increased their life expectancy to 68 years;

Decreased their infant mortality to 45 per 1,000;

Decreased their population growth rate to 1.5 percent;

Achieved an adult literacy rate of 78 percent.

In recent decades income distribution has also become more equitable to benefit the lower 40 percent of the population.

#### Economy

When the present Government of President J. R. Jayewardene assumed power in 1977, it was clear that the previous governments commitment to social and economic welfare had not been without its costs: notably a stagnating economy which had been particularly hard hit by the energy crisis and an unacceptable rate of unemployment.

The Government of President Jayewardene has taken a number of important steps to reverse this trend and generate and redirect resources from consumption to investment: from welfare programmes and subsidies to efforts to stimulate economic growth and investment in production. At the outset, in 1977, the government initiated a series of far-reaching financial and economic reforms to bring about a free market economy through such moves as the unification of the exchange rate, the liberalisation of foreign exchange restrictions and the dismantling of import and export controls. As a result, Sri Lanka has achieved an impressive growth rate of 8.2 percent in 1978, nearly twice the growth rate of 4.4 percent recorded in 1977. After the initial spurt in 1978 following the liberalisation, the economy is expected to settle down to an appreciable growth rate of about 6 percent in the next few years, a satisfactory growth rate given the present gloomy world economic situation.

Positive steps have also been taken to stimulate investment in the private sector. The tax system of the country has been completely overhauled to restore incentives to save and invest. The Budget for 1980 extended concessions in the form of tax holidays on company profits in a number of new industrial areas. Measures have also been taken to encourage savings and it is gratifying to note that time and savings deposits with commercial banks rose to Rs.1,250 million in 1977 and Rs.1,584 million in 1978 in sharp contrast to an increase of Rs.463 million in 1976 and Rs.66 million in 1975. In the first eight months of 1979 alone these deposits rose to Rs.1,698 million.

#### Free trade zone

Particular emphasis is also being given to attracting foreign investment through the Government's Free Trade Zone proposal. As at the end of 1979, the Greater Colombo Economic Commission has approved about 77 industrial projects from 21 countries involving an investment of \$140 million of which about 70 percent is from foreign investment. By the end of 1979 around 15 industries were already in production and another 20 under construction.

In pursuit of these objectives of attracting private capital to Sri Lanka, the Government has also allowed new foreign banks to open branches in the country. The American Citibank has already opened a branch in Colombo and other banks have also expressed similar interest. In 1979 Sri Lanka arranged for the first time in its history a syndicated loan of U.S. \$50 million in the Euro-currency market on very favourable terms. The fact that the loan was heavily over-subscribed is further proof of the international banking community's confidence in the economic policies of Sri Lanka.

#### *Mahaweli development programme*

With its twin priorities of increasing employment opportunities and increasing agricultural production for self-sufficiency the Government of President Jayewardene has also decided to embark on the Accelerated Programme of Mahaweli Development. This ambitious multipurpose irrigation scheme is based on exploiting the resources of Sri Lanka's largest river, the Mahaweli. In the first stage of development under the accelerated programme, 5 dams are to be constructed 4 of which would have a major hydro-power component amounting to about 500 to 600 megawatts and lead to the opening up of approximately 117,000 hectares of new land. The project is being completed with financial assistance from the World Bank and its affiliate the IDA (International Development Association) in conjunction with the U.S., Canada, Netherlands, EEC, U.K., and Sweden.●

### NICARAGUA—PART X: EDUCATION AND THE LITERACY CAMPAIGN

#### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HAMILTON. Mr. Speaker, members of the congressional mission to Nicaragua were able to witness close up many of the trials and tribulations of the people of that war-torn nation. Hunger, sickness, and homelessness are the companions of many. Families grieve for relatives lost in the fighting, and children have been left without parents. With the destruction of the economy, unemployment has become widespread and the provision of basic necessities has been made more difficult. Antedating these problems, however, is an invisible problem that has festered for years in both city and countryside: Nicaragua has one of the highest rates of illiteracy in Latin America. If illiteracy is a form of silent violence visited on a population by either a government's neglect or its simple incapacity to educate its citizens, then Nicaragua has indeed been a violent place for some time.

Our second meeting in Managua—with Minister of Education Carlos Tunnermann, the former rector of the National Autonomous University of Nicaragua—allowed us to delve into the problem of illiteracy among Nicaraguans. When asked for his assessment of the current situation, Mr. Tunnermann replied that the extent of illiteracy was greater than had been acknowledged by the Somoza regime. Up to 55 percent of all city dwellers

and 80 percent of all rural people might be illiterate. The official estimate of 650,000 illiterates made by the regime, he stated, was low by at least a quarter million, perhaps more. If such an assessment is correct, approximately 900,000 Nicaraguans can neither read nor write. The figures clearly justify the emphasis on education in the new government.

Members of the congressional mission were very concerned about two recent developments in Nicaraguan education. The first was the presence of 1,200 Cuban teachers in the nation's school system. In response to a question about the duties of these teachers, Mr. Tunnermann cited Nicaragua's "deficit" of 3,400 educators and then explained that steps had been taken to insure that the Cubans would not engage in political indoctrination of their pupils. They would be working within the confines of a temporary curriculum prepared for them by the new government. Before receiving their assignments, they would be required to attend seminars in the curriculum conducted by Nicaraguans.

Mr. Tunnermann also remarked that most of the Cubans would be posted to rural regions where there had been severe shortages of teachers in the past. There they would be limited to the instruction of reading, writing, and arithmetic, while Nicaraguans handled classes in civics, history, and social science. Mr. Tunnermann added that teachers from other countries were being welcomed, though all foreigners were to work in the school system not more than 2 or 3 years until emergency needs were met.

Our second concern was not founded on anything as concrete as the presence of 1,200 Cubans, but it was, for some at least, potentially more serious. Like counterparts of theirs in other developing nations, the leaders of the Sandinista movement have conceived and planned a literacy campaign as an integral part of their postrevolutionary program. Called the National Crusade For Literacy and administered by a Jesuit priest, Father Ernesto Cardenal, the 4-month effort is to begin in March of this year. Its ambitious goal is nothing less than the eradication of illiteracy in Nicaragua. The basic skills it will supply are to supplement whatever instruction may already be available in the existing school system. Of course, the literacy campaign holds great promise for many poor Nicaraguans. It may be the vehicle to lift them out of their lamentable backwardness. On the other hand, the campaign could be used against them. It might become the mechanism through which the poor would be browbeaten into acceptance of less than the full freedom to which their struggle has entitled them.

How can the philosophical underpinnings of the literacy campaign be understood? Perhaps the best way to understand them is to examine the groups and individuals who direct, support, and participate in the effort.

To begin, the direction is broadly based. Aside from several government functionaries, the board of directors includes representatives of the Nicaraguan Episcopal Conference, the National Autonomous University of Nicaragua, the Central American University, the National Association of Nicaraguan Educators, the Nicaraguan Federation of Catholic Educators, the Union of Journalists of Nicaragua, and the Nicaraguan Institute of Development, among others. Support for the effort is just as broadly based. Government and private sources in Nicaragua itself are prominent, but contributions have also come from the Government of the Netherlands, the Organization of American States, foundations and individuals in Germany, and religious organizations and individuals in Honduras, Mexico, Panama, Switzerland, and Venezuela. As regards participation in the effort, once again the base is broad. The archbishop of Managua, for example, has stated that the 220 priests, 500 religious, and many lay workers in his jurisdiction will be devoted to the campaign. These people will complement thousands of private volunteers who will undoubtedly lend a hand.

Our Nicaraguan hosts made it clear to us that they view the reconstruction of their country in a very comprehensive way. There are economic, social, political, and moral aspects to be considered. President Carter, of course, is asking Congress for additional funds to help speed the process of rebuilding. Because the school system and the literacy campaign are bound to play key roles in virtually all aspects or reconstruction, it is important that neither one be abused to the detriment of the people. There are good reasons to believe that we will not be disappointed by events in Nicaraguan education in the time ahead.

(NOTE.—Previous statements in this series appeared on November 27, November 29, December 3, December 4, December 11, December 14, December 20, January 22, and January 28.)●

### THE VALUE OF A PRIVATE EDUCATION

#### HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. TAUKE. Mr. Speaker, this Thursday, I will join the students of my alma mater, Wahlert High School, in Dubuque, Iowa, at an assembly to observe National Catholic Education Week. That makes it particularly appropriate to review the special role private schools play in our society.

Nearly 50 million young people are currently enrolled in the elementary and secondary school system. Of that number, nearly 10 percent attend private schools. And, while public school attendance has been dropping at nearly 2 percent each year, private

school attendance has, in recent years, increased by more than 1 percent annually.

This was not always the case. In the late 1960's, enrollments in private schools, over 70 percent of which are Catholic, plummeted. Private educators became concerned. Patrick Farrell, director of education for the U.S. Catholic Conference, challenged parochial schools to reexamine their purpose. Their conclusion:

We discovered that our real strength was our relationship with the community and that we offered parents the kind of education that they wanted for their children.

In the past decade our society has begun to return to many of its traditional values. Parents once again welcome the emphasis private schools place on discipline, moral and religious values, as well as on academic excellence.

And yet this does not mean that private schools are homogenous. To the contrary, they are the epitome of diversity. Private schools welcome persons of all races, economic and religious backgrounds. In the Catholic system, the study of Catholic doctrine is not mandatory, and lay teachers outnumber nuns and priests by a 2-to-1 margin.

The challenges confronting the private schools today are very complex. In order to meet the individual needs of the students and the demands of society, schools must be sensitive to the uniqueness of the individual student and flexible in their approach to learning. Because of their historic commitment to superior education, private schools will continue to perform an essential function of developing young minds into tomorrow's leaders. We could not do without them.●

#### NATURAL RESOURCES ARE A CASUALTY IN IRAN

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. EVANS of Delaware. Mr. Speaker, as we look at the turmoil in Iran and Afghanistan, our thoughts focus on the suffering on the innocent people caught up in the conflicts, and the implications of these events for our national security.

A recent report in the Washington Post called my attention to another tragic aspect of these events, that is the consequence of the turmoil in Iran for the wildlife, fish, and other national resources of this ecologically rich nation.

During the many years the Shah reigned in Iran he established a system of national parks to protect many forms of endangered wildlife such as Persian fallow deer, Caspian tigers, cheetahs, and others. Rigorous conservation measures were instituted to prevent overgrazing of the grass-

lands, overcutting of the forests, and overfishing of the waters.

With the Shah gone, and public sentiment aroused against all he stood for, these parks and conservation regulations no longer matter. To quote from the Washington Post article by Michael Weisskopf:

In a nation turned upside down by revolution the natural resources so carefully preserved by the Shah Mohammad Reza Pahlavi have become a major casualty of the new Islamic republic. After years of restrictions and stiff penalties for such infractions as felling a tree, Iranians flock to the seas and forest today and simply take what they want.

The author goes on to describe how some Iranians race across the open desert on motorcycles "mowing down the once protected gazelles and deer with machineguns." Assault rifles are now turned on innocent, almost tame, wildlife. Sturgeon in the Caspian Sea are taken, not with nets, but with explosives, and without regard to size and season limits.

I am greatly troubled by this slaughter of endangered wildlife and the pillaging of rich forests and waters. In the long run, it is these events which may do much to undermine the objective of Iranian self-sufficiency. These natural resources, carefully used, could go far in sustaining Iranians now and in the future. In the words of Iran's deputy director of natural environment, "if you destroy them, nothing will be left."

Mr. Speaker, I ask unanimous consent that the attached article from the January 21, 1980, Washington Post, entitled, "Free-for-all Ravaging Iran's Ecology," be included in the RECORD.

#### FREE-FOR-ALL RAVAGING IRAN'S ECOLOGY

(By Michael Weisskopf)

VARAMIN, IRAN.—They race across the open desert on motorcycles, mowing down the once-protected gazelles and deer with machine guns.

Sometimes the motorized poachers at Kavir National Park near here chase the animals into submission, then ritualistically slit their throats.

Hundreds of miles to the north, unlicensed fisherman in small wooden boats drop dynamite into the Caspian Sea, waiting with nets as scores of caviar-laden sturgeon belly up.

In the Zagros forest of west Iran, villagers harvest acres of valuable hardwood trees for fuel or sale to furniture makers, then plant crops or graze livestock on the fertile land.

In a nation turned upside down by revolution, the natural resources so carefully preserved by Shah Mohammad Reza Pahlavi have become a major casualty of the new Islamic republic.

After years of restrictions and stiff penalties for such infractions as felling a tree, Iranians flock to the seas and forests today and simply take what they want.

With sophisticated weapons seized from army barracks last year, they frighten off resources police as they leave behind ecological havoc.

Mohammed Vahedi, Iran's deputy director of natural environment, said such pillage is understandable in a country without a strong central government or a new set of laws.

"Suddenly you had a change in the face of the regime," he said, "and it was very ac-

ceptable for us to want to do all of the things we couldn't do before."

"It's like in the city of New York. All that breaking into stores and looting when the electricity went out. People want to do things when there is no police and no regulations."

Iran is blessed with numerous fresh-water lakes and rivers, the bountiful Caspian Sea and millions of acres of forest filled with some of the world's rarest wildlife. Persian fallow deer, Caspian tiger, jebeer and goitered gazelle, wild ass and cheetah.

The shah, intent on protecting this national treasure, insisted on strong conservation laws and appointed his brother, Abdol Reza Pahlavi, as Iran's environmental chief.

Although Abdol Reza Pahlavi aggressively prosecuted poachers—the fine for destroying a Persian fallow deer was \$3,500—he apparently was willing to bend the rules for himself and his friends.

Game wardens at wildlife preserves were instructed to search for prize trophies, stalk them and somehow get word to the environmental chief, who would arrive later in a helicopter with a hunting party of friends and servants from Tehran.

"The people saw that the environment was only being protected for the shah's brother," remarked Vahedi. "The people couldn't use the wildlife for themselves. After the revolution, they had this in their minds."

Soon after the shah was toppled, Iranians, imbued with a new sense of freedom, picked up their G3 assault rifles and pistols and marched to some of Abdol Reza Pahlavi's favorite hunting grounds, such as Kavir National Park, a huge expanse of desert located 100 miles southeast of Tehran.

Wild animals at Kavir, almost tame after years of near security from hunters, were easy targets for motorcycle gangs zooming across the flat open spaces, sometimes using flashlights at night to freeze their prey before gunning them down.

Although many of the hunters come from nearby farming villages like Varamin, hundreds more drive from Tehran carrying their motorcycles in the back seats of Land Rovers or the backs of trucks.

One day recently, shots could be heard across the desert, but the park was empty of guards. Villagers who use the oil in the bones of wild ass as a medicine were seen along the outskirts of Kavir with automatic rifles in hand.

Near the entrance of Kavir, Tamur Kallakouh was tending the herd of 400 sheep that he has brought to the park for the winter grazing on ground painstakingly cultivated by botanists over the past 15 years as a guard against land erosion.

"I never had the guts to come before," said the 21-year-old shepherd. "I heard things were easier now. Otherwise I would have hand-fed my sheep in a barn for 1,000 rials [\$15] apiece for the winter."

In north and northwest Iran where the tall cypress, beech and maple trees flourish in the cool wet climate, poachers have cleared away thousands of acres of the hardwoods to make room for livestock grazing and farming.

As many as 300 trees are sawed and hacked down in the Zagros and Caspian forests every day by local people needing firewood and entrepreneurs who sell the lumber at great profit to homebuilders and furniture manufacturers, according to Vahedi.

The northwoods lakes have long been the mating and hatching grounds for duck, geese, and swan that migrate from Siberia. But experts now fear that a whole generation of the birds may be lost because of wanton hunting in places like the Caspian forest.

A similar warning comes almost weekly from Shilot, Iran's fishery agency, which says that unbridled poaching of sturgeon has drastically reduced the population and threatens the nation's profitable caviar industry.

Shilot-approved fishermen are the only ones allowed by law to net the valuable sturgeon, and they abide by strict seasonal limits and other requirements, such as size of mesh and permitted locations for the fishing.

But since the revolution, the Caspian Sea is jammed with unauthorized fishermen who not only drop nets regardless of the season, but use explosives to increase their catch and fish in spawning grounds before the sturgeon have laid eggs.

Although Shilot posts guards along the waterfront, they are too undermanned and underarmed to confront the hundreds of gun-toting poachers who fish the Caspian every day, according to fishery officials.

Vahedi stresses, however, that using force to stop the environmental destruction of postrevolutionary Iran is not practical.

"The Army is with the people and the people are with the Army," he said. "They don't want to fight each other. We must talk to the [violators] and explain to them that these are the resources for you and your children.

"If you destroy them, nothing will be left."●

#### THE 32D ANNIVERSARY OF SRI LANKA

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. WOLFF. Mr. Speaker, on February 4, the Republic of Sri Lanka celebrated the 32d anniversary of its independence from Great Britain. Last August, a delegation to Asia led by the Subcommittee on Asian and Pacific Affairs visited Sri Lanka where it was our pleasure to meet with that nation's leaders and observe several development projects. Along with my colleagues in the delegation, I am deeply impressed with the dedication, intelligence, and foresight of President Javawardene and his cabinet as they chart their nation's future.

Sri Lanka is today a model for developing nations. Life expectancy and per capita food consumption have increased dramatically during the past 25 years while the rates of population growth and infant mortality have declined. In addition, the nation's economy has achieved impressive and consistent growth rates which, in spite of the present worldwide economic stagnation, will probably remain above 6 percent for the next several years.

As a leading voice among the developing nations, Sri Lanka's position has been one of true nonalignment. During the Conference of Nonaligned Heads of Government held in Havana last year, the delegation from Sri Lanka consistently sought to maintain the founding principles of the nonaligned movement and it always has been an advocate of moderation and restraint in the resolution of international differences.

Concern for the rights of citizens in Sri Lanka is reflected in the nation's new constitution which insures equality before the law for all citizens and gives special attention to the needs of the Tamil-speaking minority. Tamil government offices and law courts are being maintained and, along with Sinhala, Tamil has been declared a national language. These are fundamental measures that are essential to resolving the historic grievances of the Tamil people.

Mr. Speaker, it is my pleasure to bring to the attention of our colleagues the commendable goals and outstanding accomplishments of Sri Lanka. I extend to the people of Sri Lanka my warmest congratulations on the 32d anniversary of the founding of their nation.●

#### THE WHITE HOUSE CONFERENCE ON SMALL BUSINESS

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. EVANS of Delaware. Mr. Speaker, the White House Conference on Small Business recently concluded its meeting here in Washington and issued a list of 60 recommendations which will serve as the basis for a final report from the Conference to the President and the Congress. This report is expected to be completed in approximately 2 months. Fortunately, the 1,573 delegates to the Conference designated 15 of the 60 recommendations as priority items.

Due to public and congressional interest in these recommendations, I am attaching the priority items for the consideration of my colleagues. The primary areas of concern identified by the Conference center around inflation, excessive Government spending, unreasonable regulations, and the confiscatory level of taxation. The collective message from the Conference seems to be "Get the Government off our backs and out of our pockets!"

Based on the firsthand reports I received from the members of the Delaware delegation to the Conference, I believe the final report should serve as the catalyst for congressional action to relieve small businesses from the big problems they are now facing. The men and women involved in small business operations face a unique set of difficulties today. I intend to continue my efforts to enact a broad tax relief and regulatory reform package which will strengthen the role of small business as the backbone of our economy.

The recommendations of the Conference follow:

WHITE HOUSE CONFERENCE ON SMALL BUSINESS—JANUARY 13-17, 1980 DELEGATE RECOMMENDATIONS

(Listed in order of priority set by delegates)

1. Replace the present corporate and individual income tax schedules with more grad-

uated rate scales, specifying the graduated corporate tax scale up to \$500,000.

2. Adopt a simplified accelerated capital cost recovery system to replace the present complex Asset Depreciation Range (ADR) regulations, with provisions such as (A) immediately expensing capital costs less than a specified amount, (B) immediately expensing government mandated capital costs, and (C) the creation of a maximum annual benefit that may be derived from the system.

3. Balance the Federal Budget by statute in Fiscal Year 1981 by limiting total Federal spending to a percentage of the GNP, commencing with 20 percent and declining to 15 percent.

4. Revise estate tax laws to ease the tax burden on family-owned businesses and encourage the continuity of family ownership.

5. Congress shall exercise its oversight function with the assistance of the General Accounting Office, instituting sunset reviews of all laws, regulations, and agencies, to ensure that none exceeds original congressional intent. Sunset reviews, in an appropriate time frame (not less than every five years) should include economic impact analysis and proposed agency budget reductions, leading to re-enactment of each agency's enabling legislation to permit its continued existence, or to reduce its size and cost.

(A) Establish a Regulatory Review Board composed of representatives from the Executive Branch, Congress and small business owners, with responsibility for impact statements and cost controls.

(B) Congress shall exercise line-item veto over regulations within a specified time through congressional oversight committees, with one-house floor vote.

6. Support and urge passage of S. 1860, the Small Business Innovation Act of 1979, and companion bill H.R. 5607, as presently drafted with flexibility for minor future amendments, covering: small business research and development set-asides; small business innovation and research programs (as already encompassed by H.R. 5126 and S. 1074); patents retention; amendments to the Internal Revenue Code; and regulatory flexibility.

7. Provide for a tax credit for initial investment in a small business, and permit deferral of taxes for roll-overs of investments affecting small businesses.

8. Reform the Social Security System by including, where constitutionally possible, all public and private sector employees as contributors and more closely tie benefits to contributions to move the system toward actuarial soundness. Limit benefits to the original old-age and survivors benefits. Freeze the tax base and tax rate at the January 1980 level. Eliminate double dipping.

9. Provide tax incentives in the form of a new security called a *Small Business Participating Debenture* (SBPD) to provide a source of capital for small businesses.

10. The Office of Advocacy must be maintained, reinforced and expanded so that activity be not less than 5 percent of the SBA salary and expense budget. The legislative mission of Advocacy must be considered the number one priority of SBA and the Office of Advocacy. The independence of that function of the Office of Advocacy must be protected so that it may continue to have the confidence of the small business community. SBA's Advocacy budget should be devoted to economic research and analysis, as well as small business advocacy. Small business advocates, under the direct supervision of the SBA Office of Advocacy, shall be assigned to OMB, Federal Reserve Board, Treasury, International Trade Policy Committee and other regulatory agencies.

11. Private lending institutions should be required to provide equal access to commercial credit for women in business. The Fed-

eral Reserve Board should establish record keeping requirements for commercial loans to women which will permit effective monitoring of performance under the Equal Credit Opportunity Act. The Small Business Administration should make bank certification available to as many commercial banks and other lenders as possible and establish targets for increasing the dollar volume of loans made to minority-owned and women-owned businesses, as one of the criteria for recertification.

12. Small business should be eligible for magistrate review of agency civil penalties, and reimbursed for court costs, reasonable attorney's fees, and damages from administrative action, if successful in civil disputes with the Federal Government, including IRS.

(A) Such costs and fees to come from the operating budget of the agency.

(B) Magistrates will be appointed and be responsible to the judges in each Federal Judicial District.

(C) With burden of proof on the agency to defend its action.

13. Revise minimum wage standards by freezing standards at January, 1980 levels and establishing a two-tier minimum wage by exempting teenagers, seasonal workers and part-time workers.

14. The President, by Executive Order, and Congress, by legislation, shall establish mandatory goals for all Federal procurements and Federal funds or grants to states, localities, and public and private institutions, on a contract-by-contract or agency-wide basis for small businesses (35 percent); minority-owned (Black, Hispanic, Native American, Asian Pacific American, and other racial minorities) businesses (15 percent); and women in business (10 percent).

15. Require that all government agencies which develop fiscal, monetary, legislative and regulatory policies/practices shall submit small business "economic impact" statements that require the regulatory agencies to identify the anticipated benefits and to justify the costs of Federal regulatory requirements to small businesses. In addition, all regulatory policies shall be subject to sunset provisions to be reviewed every 5 years in order to insure that only cost effective regulations shall be maintained and retained in the future.●

## WATER RESOURCES: TIME FOR RESTRAINT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. PORTER. Mr. Speaker, a clear and unmistakable message is being conveyed by the people to all of us: halt wasteful spending and balance the budget now. While many areas of spending have become nondiscretionary, one that can be controlled is the authorization of new water resource projects, H.R. 4788, now being considered in the House. Historically, this is an area where abuses have been rife, and cost inefficiencies largely ignored, as one unnecessary project after another has been authorized. This year, it is a first-rate opportunity for the

## EXTENSIONS OF REMARKS

Congress to show the people that we are listening to them and are committed to a fiscally responsible course.

An editorial which appeared in the Chicago Tribune on February 4, 1980, aptly expressed these views:

### RESTRAINING THE ENGINEERS

Sophisticates in the affairs of government can count, year in and year out, on the sponsorship of numerous, expensive, and dubious water projects by the Department of the Army. Show its Corps of Engineers a river and in all likelihood the engineers will point to the need for a dam or a new channel or some other improvement, often unnecessary. But this year there comes to hand a spirited protest against dozens of pending water projects—a protest not to the Department of the Army but from that department.

In a letter to Rep. Harold T. Johnson (D., Cal.), chairman of the House Committee on Public Works and Transportation, Michael Blumenfeld, assistant secretary of the Army (civil works), struck out hard against H.R. 4788, the pending Water Resources Development Bill. He said in part, "The administration cannot support the 54 project authorizations in the bill which have not received full departmental and administration review. . . . the 54 inadequately reviewed projects in the bill could lead us to commitments of approximately \$1.3 billion in future years, unadjusted for inflation."

The total number of "objectionable" provisions is 125 [plus 11 more "questionable" ones]. Absent or incomplete review is not the only basis for objection. Often the objection is that a project is "a non-federal responsibility." Examples include a ship canal and a municipal water treatment plant at Buffalo, paving a county road in Tennessee, replacing a bridge in Arkansas, elevating and relocating a couple of roads in Texas, bearing 80 percent of the cost of a highway bridge in New York, maintaining a levee system in New York, and so on. Another ground of objection is absence of any provision for cost-sharing. For example, the bill calls for a new marina on Lake Texoma [Texas Oklahoma] not only without study, report, and review, but also without "appropriate cost-sharing."

The Department of the Army also resists a congressional veto of "any rule or regulation promulgated under any law of the United States relating to Army water resources projects." No doubt a high proportion of advocates of such a veto envision congressional restraints on Army spending. However, the Army's objections to the Water Resources Development Bill show that congressmen may outdo the Army Corps of Engineers in wastefulness.

The Corps of Engineers has fairly earned its reputation for building water projects with indefensible cost-benefit ratios. But in view of the series of the indefensible boondoggles and treasury raids in H.R. 4788, authorizing Congress to override the rules and regulations by which the Corps of Engineers restrains itself to a degree, hardly seems a good idea.

Too many misguided water development projects have been approved by both Congress and the Corps of Engineers. It is better to require two signoffs rather than just one.

And it is great to see the Department of the Army actively defending the public interest against funding a congressional pork barrel.●

February 5, 1980

## CHEMICALS USED AGAINST THE AFGHAN PEOPLE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HILLIS. Mr. Speaker, in the February 4 edition of the Wall Street Journal, there appears an editorial entitled "Yellow Rain." This editorial deals with one of the most disturbing developments concerning the Soviet invasion of Afghanistan—the use of chemicals by the Soviets against the Afghan people.

Ever since the world witnessed the effects of chemical warfare during World War I, their use has been basically outlawed by the Geneva Protocol of 1925—although there are a number of loopholes in that treaty which the Soviets take advantage of in order to claim that they have not broken its terms. Nevertheless, the fact remains that the Soviets are apparently willing to use chemical weapons against defenseless people.

As the editorial indicates, the horror of chemical warfare makes it difficult for civilized people to comprehend and respond to the Soviet's actions since it is almost impossible to imagine that a Nation would actually resort to such inhumane activities. We cannot afford, however, to make the same mistake we did during the early years of World War II when Nazi Germany was practicing genocide against Jews and the Western World refused to recognize it until after it was brought into the war. We must recognize reality and face the sober fact that there are governments capable and willing to engage in even the most horrid of actions and protect ourselves from them. To that end I urge the Department of Defense to begin today to study the Soviet's activities and recommend steps we can take to protect American soldiers from the effects of these weapons.

I am at this point placing the Wall Street Journal's editorial in the RECORD so that my colleagues can benefit from reading it.

YELLOW RAIN

Government officials privately confirm that Soviet forces have used nerve gas known as Soman against Afghan tribesmen. Soviet chemical weapons were also used in 1978 against Meo tribesmen in Laos and in Yemen in 1964. The willingness of the Soviets to employ such loathsome weapons, not as a desperate last step but as an opening shot, is something that the U.S. and its allies had better start thinking realistically about.

The Soviet Union is a party to the Geneva Protocol of 1925. Unlike SALT and other arms control treaties, the Geneva Protocol is binding in time of war and bans the first use of chemical weapons. Legally the Soviets have loopholes for using chemical weap-

ons in Afghanistan. They signed the Protocol with a reservation that they are bound only in relation to other parties. Afghanistan is not a party to the Protocol and, furthermore, the Soviets do not admit that they are at war against Afghanistan.

Legalisms aside, large scale and expensive Soviet chemical warfare preparations indicate that the Soviet Union may not intend to be bound by the Protocol in conflict against anyone, party to the Protocol or not. Chemical warfare capability is fully integrated in Soviet forces. Soviet divisions are prepared to attack with chemical weapons and to operate in contaminated environments. Under the Protocol the Soviets could only make "second use" of this capability, but no one else has "first use" capability.

The U.S. has renounced the first use of chemical weapons against any nation whether or not a party to the Protocol. There is a small amount of money in the defense budget for chemical warfare research, and the U.S. has some deteriorating stocks of chemical weapons which are largely World War II leftovers that served as insurance against first use by the Germans and Japanese. But U.S. forces at the present time do not have the capability to employ chemical weapons and, indeed, have scant defensive capability against chemical weapons.

Gassing people with deadly substances as if they were so many mosquitos is abhorrent to the moral conscience of the West. Civilized people have a hard time confronting the issue—which may be the reason that Soviet use of inhuman weapons against technologically primitive tribesmen has not produced a barrage of moral protests. It is one of those unmentionables that diverts our human rights concerns to Guatemalans swinging nightsticks against left-wing students.

But we are going to have to steel ourselves for there may be worse to come. Intelligence sources now believe that the Soviets have used biological weapons in Afghanistan. Soviet use of "microbe bombs" would be a clear violation of the 1972 biological treaty that bans not only the use of such weapons but also their development, production and possession. The arms control community is unsure whether the Soviets are complying with this treaty. Under its provisions, evidence of a violation can be brought before the UN Security Council, forcing the world to confront an issue that it doesn't want to confront.

The repeated use of chemical warfare, meanwhile, gives a good indication of the general regard in which the Soviets hold treaties and conventions. It is a powerful reason not to ratify a Strategic Arms Treaty with unverifiable provisions such as range limits on cruise missiles. And also a reason not to proceed with negotiations on a comprehensive nuclear test ban treaty just when the government is wondering whether there was or was not an atomic test off Antarctica last year.

Meanwhile, Meo tribesmen in Laos have seen the effects of "yellow rain," descending on the men, women and children of primitive villages. And whether as a systematic anti-guerrilla weapon or merely to indulge Soviet curiosity, in the vicinity of Feyzabad, in areas west of Kabul and around Jalalabad, canisters of Soman have burst open in the air, spreading vapors that penetrate the skin, paralyze the central nervous system, and cause violent seizures and death.●

## CHOICES BETWEEN HEATING AND EATING; THE IMPACT OF INFLATION UPON THE ELDERLY

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. GREEN. Mr. Speaker, as a member of the Select Committee on Aging, I along with Representatives FERRARO and BIAGGI recently conducted a field hearing of the Subcommittee on Retirement Income and Employment in the 18th Congressional District of New York. The hearing was entitled "Inflation and its Impact Upon the Elderly" and explored this topic with special emphasis upon the areas of energy, housing, and social services. Since there are almost 1 million elderly individuals living within the boundaries of the city of New York, I thought it appropriate to share with you and my other colleagues here in the House a letter I sent to Chairman PEPPER briefly describing a few of the highlights of this hearing. The letter is as follows:

HOUSE OF REPRESENTATIVES,

Washington, D.C., January 28, 1980.

HON. CLAUDE PEPPER,

Chairman, House Select Committee on Aging, U.S. House, Washington, D.C.

DEAR MR. CHAIRMAN: On January 10, 1980 the Subcommittee on Retirement Income and Employment of the Select Committee on Aging held hearings in New York City concerning "Inflation and its Impact upon the Elderly." I am pleased to take this opportunity to report to you and the other Members of the Committee about the highlights of this hearing and some of the important insights which we gained. Representatives Ferraro and Biaggi joined me in conducting this hearing and their participation was most valuable.

In investigating the hearing topic, the Subcommittee focused upon how the elderly feel inflation in energy, housing, and social services. Throughout the day, one predominant theme emerged: inflation has eroded the purchasing power of our senior citizens to the extent that they have been forced to cut down not only on luxuries and extras, but also on many of the basic necessities upon which we all depend for survival. Since the older adults of New York City comprise 5 percent of the elderly population of the United States, I thought a brief summary of the testimony of the over 30 witnesses who participated in this hearing would be of particular interest to you.

With respect to energy, the Subcommittee heard testimony regarding how our fellow citizens often living on fixed incomes during their "golden years" have been forced by the current 13 percent rate of inflation to make real choices between heating and eating. For the last several years the Congress has viewed home heating assistance as an emergency program and has enacted such a program year by year. However, each year money was appropriated for these programs too late in the season to be used with maximum efficiency and effectiveness. In addition, the amount of money did not begin to meet our national needs. Consequently, too many of this nation's older adults have suffered from hypothermia and too many have been discovered in their apartments without heat in the winter. Given the jolting increases in energy costs in the last few years, I believe it no longer

makes sense to approach the home heating assistance question on a year-by-year, emergency basis. Thus, I announced at the hearing that I will soon be introducing legislation to establish a permanent, on-going program of home heating assistance which I hope will enable States and localities to plan in advance to avert the kinds of tragedies we have seen.

Concerning housing, the Subcommittee learned that for many of the nearly one million senior citizens in New York City, the old concept that rent should absorb only one-fourth of an individual's income has clearly become obsolete. The median gross rent paid by aging households is presently \$184 in New York City. This figure represents an increase of more than 30 percent since 1975 and reflects an income/rent ratio of approximately 40 percent. Moreover, the New York City Housing Authority estimates that of these one million older adults living in the City 37 percent are trapped in unsuitable housing and 24 percent of these individuals are living in sub-standard dwellings. Furthermore, we were reminded that in areas such as New York, where the rental market is becoming more and more limited each day, there is a need to provide additional funds and create innovative programs in order to improve existing housing. Our attention to inflation in housing served to renew my commitment, to the tenants tax justice concept which is embodied in H.R. 3910. This is a bill which I have introduced and which would allow a deduction for real estate taxes imposed on tenants and which I believe would do much to ease the financial burden currently borne by New York City renters.

Regarding social services, we were called upon by several of the witnesses to redefine the standards of eligibility under which assistance to older Americans becomes available. The plight of older adults living at or below the poverty line is deplorable. The difficult task of surviving for those older Americans whose incomes place them just above the current line of poverty is too often ignored or minimized. Since one-half of all handicapped individuals are elderly, the Subcommittee was again reminded how important the increased availability of transportation is for these citizens. Inasmuch as New York City medical costs exceed any other area in the nation, evidence was presented to the Subcommittee pointing out the need for increased Medicare coverage and the need to contain rising hospital costs. We need to allow senior citizens not only a greater sense of dignity by providing them with the means to obtain greater independence, but also with an increase in services upon which their very lives depend.

I was pleased that on October 30, 1979 the Committee on Ways and Means approved the Medicare Amendments of 1979 (H.R. 3990). Included in this legislation are several provisions contained in a bill I introduced earlier in this Congress (H.R. 1296). Among these are: elimination of the present 100 day visitation restriction, elimination of the \$60 deductible under part B, and elimination of the three day requirement for prior hospitalization under part A. I am hopeful that the Congress will take final action on this matter during the Second Session of the 96th Congress.

The Subcommittee also heard concern about the future of the Social Security system. I believe that several reforms are needed in the system, including elimination of gender-based distinctions in benefits. I assured those in attendance at our hearing that I oppose the recent recommendation of the Advisory Council on Social Security that Social Security benefits be taxed. In addition, I outlined a proposal I have intro-

duced which would make the Social Security system sound for our senior citizens. This would be accomplished, in part, by gradually raising the retirement age to 68, beginning in the year 2000. Thus, no one now 65 or older or anyone who could reasonably be considered to be planning an imminent retirement would be affected. My proposal would put the system on an actuarially sound basis for the next 75 years and, thus, would allay the concerns felt by many senior citizens and others that the system is in danger of going bankrupt. We need to provide senior citizens with a system they can count on, and not one which threatens to short-change them after a lifetime of hard work and contribution. I will continue to work for the well-being of older Americans and the sound standing of their Social Security system as the Congress reviews relevant proposals during the Second Session.

Thank you for your consideration of this brief summary, Mr. Chairman. I hope that you and the other Members of our Committee find this information helpful.

Respectfully submitted,

S. WILLIAM GREEN,  
Member of Congress. ●

### HOUSE CONCURRENT RESOLUTION 220

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. WALKER. Mr. Speaker, on December 6, 1979, I introduced for myself and Mr. ABDNOR, Mr. GRADISON, Mr. GRASSLEY, Mr. GRISHAM, Mr. PASHAYAN, Mr. ROUSSELOT, Mr. LOTT, Mr. LAGOMARSINO, Mr. GOLDWATER, Mr. DOUGHERTY, and Mr. MOTT, House Concurrent Resolution 220 seeking the establishment of a Federal strike force and program to investigate and prosecute crimes committed by members of outlaw motorcycle gangs. I wish to take this opportunity to state that neither the perception of the need for the resolution nor its introduction, should in any way be considered as reflecting adversely upon the more than 7 million of our responsible and law-abiding citizens who use motorcycles for fuel-efficient transportation and recreation. In fact the damage done to the welfare and public image of this overwhelming majority of motorcyclists by the small percentage of persons involved in outlaw motorcycle gangs is one more reason that the resolution should be adopted.

Thank you. ●

### WINDFALL PROFIT TAX—NO ENERGY SOLUTION

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. ROUSSELOT. Mr. Speaker, in the Wednesday, January 31 edition of the Washington Star, a message, sponsored by the Amway Corp., briefly explained why the windfall profit tax will penalize not only the oil industry,

but every American citizen as well. As H.R. 3919 makes its laborious way through the conference committee, it is important for us to remember that the real victims of the windfall profit tax will be the consumers who will pay ever higher prices for gasoline as they wait in longer lines at the pump. Nothing in the bill being discussed in the conference will produce additional energy for this country. Nothing in the bill being discussed will encourage new exploration and drilling. The bill, however, will encourage the Federal Government to find new ways to spend more tax dollars. Given the performance in the past of the bureaucracy, particularly the Department of Energy, there is little hope that the Government will put the windfall revenues to productive use.

I urge my colleagues to read the Amway message which follows:

#### WINDFALL PROFIT TAX—NO ENERGY SOLUTION

If the windfall profits tax passes the Congress, we all lose.

The Congressional Budget Office (CBO) estimates that, depending on which version of the tax is imposed, the United States will produce 4 to 14.8% less oil.

Industry sources and the CBO say that if no windfall profits tax were enacted, 200,000 to 400,000 more barrels of oil per day would be produced in this country by 1985. That is about half the amount of oil we were importing from Iran.

Few would object to taxing the "windfall profits" of companies which invest those profits in ventures other than U.S. energy production. But it makes no sense to tax away the dollars which would be used for additional domestic energy. And even without the tax, the government will reap the biggest windfall of all . . . some 62 percent of the additional revenues will be paid by the oil companies in federal and state taxes.

But too many politicians need an election year scapegoat. They have decided to single out oil producers for "special tax treatment." Taxing away resources needed to produce more oil defeats the purpose of decontrolling oil prices.

The purpose of decontrol is to provide the dollars producers need to find and extract more oil and natural gas in America. By taking away those dollars, the President and the Congress will make us more dependent on foreign oil, and domestic production will decline further, just as it has ever since controls were imposed.

Playing politics with America's energy future is no solution to the most critical problem we face. Amway Corporation, Ada, MI 49355.

One of a series of messages to stimulate public dialogue about significant national issues. ●

### NEW AMERICAN CITIZENS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. LONG of Maryland. Mr. Speaker, it is with particular pleasure that I congratulate 30 residents of Maryland's Second Congressional District who have chosen to become American citizens, accepting all of the responsibilities that freedom and citizenship

entail. I hope that my colleagues will join me in welcoming these new Americans and extending to them our wishes for a happy and prosperous life in the land we love.

They are:

Mrs. Eva S. Zinreich, Mr. Stanislav Klika, Mrs. Hyong Cha Harrid, Mrs. Elizabeth R. Kramer, Mr. Edwin M. Lacanienta, Mr. Sharadchandra M. Desai, Mr. Mihail Almiroudis, Mr. Rene F. De Brabander, Mrs. Ghazala A. Burney, Mrs. Rosemary Alison Eshelman, Mr. Peter Inglis Buchan, Mr. Isidoro Lachter, Mr. Johannes W. Van Der Spek, Mr. Fernando J. Acle, Mr. Alejandro E. Acle, Mr. Dhia M. Said, Mrs. Yu-Lien Wang, Mr. Victor Wang, Mrs. Sun J. Kim, Mr. Gab Sang Yun, Mrs. Hae Sook Yun, Mr. Teodoro R. Carangal, Mrs. Rita L. Carangal, Mrs. Phyllis Mary David, Mr. Oscar Glikin, Mrs. Hae Sook Lee, Mr. Yong Huh Hong, Mrs. Keun Ok Hong, Mrs. Jestina Ann and Mr. Stephen Mark Held in behalf of Edwin Jee Nam Held (6) and Benjamin Jee Hwan Held (6). ●

### PROBLEMS IN ATTEMPTING TO RECRUIT AND RETAIN QUALIFIED NONCOMMISSIONED OFFICERS

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HILLIS. Mr. Speaker, on January 17 there appeared an article in the Washington Star entitled: "Paying for Sergeants in the 1980's." I believe this article clearly states the problems facing our military leaders today in attempting to recruit and retain qualified NCO's. The Congress and the Department of Defense must address these problems as we debate the fiscal year 1981 budget.

In the past few years military benefits have come under increasing attack. Educational benefits have been severely reduced. Attempts have been made to reduce commissary and BX or PX privileges. To some degree, along with neglecting to increase pay sufficiently, these issues have led to the situation described in the article.

We must begin to find solutions to the problems of recruiting and retaining qualified military personnel if we are to adequately maintain our national defense and security.

I am placing a copy of the Star's article in the RECORD with the hope that my colleagues will read it and support future efforts to improve the compensation of military personnel.

#### PAYING FOR SERGEANTS IN THE 1980's

(By R. James Woolsey)

Manpower will be the most intractable national security problem of the '80s.

We are experiencing a resurgence of national will under the influence of the turbulence in Iran, Soviet moves in Afghanistan, and the specter of hostile nations controlling the West's and Japan's oil.

But such surges of American patriotism have historically found expression first, and most easily in appropriations for major weapons systems. National leaders have always had a much more difficult job convincing the country to act sensibly about

military manpower. Franklin Roosevelt and Carl Vinson somehow got capital ships built, even in the 1930s. But they and Sam Rayburn only saved the draft by one vote in September of 1941—two full years after the beginning of World War II.

In 1941 it was clear what statesmanship required: We needed the draft. Today the condition of the all-volunteer force presents a murkier picture. The four services have never been better led by service chiefs who understand and exert personal effort daily on manpower problems. Much, though probably not enough, is being done to improve recruiting, to teach remedial reading and job skills and to utilize women in a wider range of jobs.

But all this may well not be sufficient. The Army's Individual Ready Reserve is already a skeleton. All services are missing their recruiting quotas and the mental and skill levels of many enlistees are, to put it mildly, lower than desirable. Recruiting scandals continue as the pressure mounts.

The resumption of peacetime draft registration alone, while a reasonable and prudent step, will not change this picture. Registration merely lets inductions occur promptly if war comes, since no one seriously plans to fight for long with volunteers.

#### THE DEMOGRAPHIC THREAT

The most serious problem of all is that, each month, relentlessly, the pool of young men available for military service declines. Demographic projections make it crystal clear that this will continue through the '80s. At the beginning of the next decade there will be only about three-fourths as many young men in the country as there are today. Under an all-volunteer force then, we will have to attract about one out of every three qualified and available men into the military. If we find somewhere a bag of Krugerrands to give each enlistee, we might barely pull that off. But short of that—and certainly if we keep doing business as we are today—the all-volunteer force will fail. The less intelligent our manpower policies, the further we'll move the date of failure into the embarrassingly near future.

#### UNWISE CIVILIAN CUTS

One way to fail sooner rather than later is to continue the severe cuts and limitations in defense civilian manpower that Congress and the Executive Branch have taken turns imposing over the last several years. When you cut, for example, the number of Navy civilian shipyard workers, someone has to take up the slack or the ship overhauls don't get done. So sailors work 72-hour weeks, don't re-enlist, and thus create a need for more recruits.

Another way to ensure failure is to continue clobbering career enlisted men and women with a pay structure that undervalues their contribution and with "reforms" that drive them out of military service.

In 1971 when the draft was ended by Congress, first-term enlisted men and women got more than a 50 per cent pay increase while the career force got a pittance. Military pay increases have been running at half the inflation rate, in good years. Some in Congress now propose increasing that to 10 per cent or so—about two-thirds of the current inflation rate. That's better than nothing, but hardly solves the careerists' problem. Inflation has so eroded the pay of the career enlisted soldier, sailor, and marine that today an E-6 (staff sergeant or 1st class petty officer) with, say, 8 years' service, stationed in Northern California, makes \$300 a month less than a unionized grocery checkout clerk in nearby San Jose.

A number of good people stay in, but it is out of patriotism, and there are fewer each year. Frequent moves disrupt service family

life and make it hard for a serviceman's spouse to work—the increasingly common augmentation for inflation-wracked family income. Emotionally important, and relatively inexpensive, benefits such as free parking or separate non-commissioned officers' clubs are removed year by year by one part of the bureaucracy or another. A generous retirement system permitting a second career after 20 years—the last major benefit better than that in the civilian world—is under assault.

#### OVERCOMING THE SHORTFALL

It is only by using civilian labor at every possible point and by significantly increasing the careerist proportion of the enlisted force that the all-volunteer force can be given a fighting chance. Increasing the careerist share, e.g., from 42 to 50 per cent of the enlisted force, principally by selective pay and benefit improvements, would reduce enlisted requirements by about 70,000 men annually. That would make up for more than double today's enlistment shortfalls. Such steps could postpone the date by which we must return to a peacetime draft from the early '80s to the mid-'80s. If we are very lucky there's an outside chance, but only that, that they could even get us through the decade.

But even if we return to a peacetime draft or adopt some sort of national service system, the armed services can't function without the sorts of sergeants and petty officers who today are voting with their feet. They are the sinews of any military force—whether its privates come from Watts, Appalachia, or Groton—and they deserve better than what they've been getting.

Even if you don't believe that, consider your own family's self-interest. The world has recently shown itself to be an angry and wicked place. You may need some people to go take a hill somewhere soon. Whom do you want your son learning the ropes from, when he first comes under mortar fire there—somebody who can't make it as a grocery bagger?●

### SALTY SENSE—PART I

#### HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. CARR. Mr. Speaker, today I am initiating a series of CONGRESSIONAL RECORD insertions. From time to time I will insert those statements on strategic arms limitation which in my judgment are unusually cogent or perceptive.

It is no secret that I support SALT II; therefore one would expect these insertions to reflect that view. In fact, I must say that I have yet to hear an argument against the treaty that was either cogent or perceptive, and that could not be instantly demolished by exposure to the facts. Nevertheless, should such a document appear I will happily include it in the series.

I begin the series with a superb summary of the basic case for SALT II prepared by the gentleman from California, Mr. BEILENSON. The following insertion is excerpted from his constituent newsletter of December 1979:

#### A PERSONAL VIEW: WHY SALT II SHOULD BE APPROVED

##### FACING THE CHALLENGE OF A NUCLEAR WORLD

Twenty-five minutes from now the United States can destroy Russia as a nation and a society—and the Russians can do the same to us. . . . The United States has enough nuclear warheads to strike the 450 largest Soviet cities 20 times each, and the Soviets have enough warheads to hit an equal number of American cities 10 times each. . . . The global stockpile of nuclear arms now equals one million Hiroshima-size bombs, with a combined explosive power equal to 12 tons of TNT for every person on earth.

These facts are so overwhelming that we become numbed by them. But we cannot lose sight of the insanity of it all, of the horror that would be visited on humankind if only a fraction of these thousands of weapons were ever exploded—we would certainly lose our country and our society as we know them, and our own and our children's futures.

There is absolutely no defense on either side against this existing ability to destroy each other, and I think that any sane and thoughtful person would support sensible and rational means to decrease the possibility of nuclear war.

The Strategic Arms Limitation Treaty (SALT II) represents seven years of effort by the two superpowers to slow the nuclear arms race. The Treaty, for the first time, mandates limitations in the nuclear weapons systems of the United States and the Soviet Union. It thus constitutes a substantial achievement and a major step in a necessary process that must be confirmed and continued if we are ever to limit the threat of nuclear weapons.

After exhaustive investigation and many weeks of testimony on SALT II in the Senate, not a single weakness or loophole has been found in the Treaty. And that is why those who are seeking to defeat SALT II, and cannot do so on the merits, have resorted to raising other issues such as the presence of Russian troops in Cuba, and demands for greatly increased U.S. defense budgets.

But the greater our concerns about aggressive and unfriendly Soviet intentions, the more we need to restrain their ability to build up their strategic nuclear forces; the more one distrusts the Soviets, the more one should support the SALT agreement.

The Treaty should be judged on its merits alone—we should support it only if it is good for us. It must not be considered as a favor to be given to the Russians as a reward for good behavior or withheld as a punishment for bad behavior.

The only standard by which we should judge the Treaty remains: will our national security be better served by its approval or by its defeat? If it is in our country's interest, it should be approved; if it is not in our own interests, it ought to be rejected.

##### THE TRUTH ABOUT SALT II

While the provisions of the Treaty are complicated and lengthy, and the arguments surrounding it are complex and confusing, the simple truth of the matter is that the provisions of the SALT II agreement are overwhelmingly favorable to the present and future security interests of the United States.

The Treaty will preserve the military balance between the U.S. and the Soviet Union by restraining the Soviet military build-up while permitting the modernization of our own strategic forces at the same time.

Limit on strategic delivery vehicles. The Treaty places a limit of 2250 on the number of strategic delivery vehicles—i.e., long-

range bombers, land-based missiles of intercontinental range (ICBM's), and missiles fired by submarines—each side may have. The Russians have 2500 delivery systems now; to comply with the Treaty, they will have to destroy or dismantle about 10% of their systems. This will be the first agreed upon reduction in the history of nuclear arms.

Without this SALT-imposed restriction, the Russians are expected to have 3000 delivery systems built by 1985. Thus, without SALT, they would have 750 more missile systems aimed at the United States. On the other hand, the U.S. has only 2000 delivery systems—so we can build up to the 2250 figure if we want to.

Limit on nuclear warheads. The Treaty places a limit on the number of warheads that can be deployed by each country—which would result in limiting the Soviets to about 9500 warheads, compared with as many as 18,000 they would be able to deploy if they followed present production schedules in the absence of the SALT agreement.

This limitation on warheads is critically important because it is in this area that the Soviet Union has the greatest potential for dramatically expanding its forces in the near future. Without SALT, for example, the 300 big Soviet "heavy missiles" could carry up to 30 warheads apiece—a total of 9000 nuclear bombs; with SALT, they are limited to 10 warheads apiece—a total of 3000. Thus, under SALT, there will be 6000 fewer nuclear warheads aimed at the U.S. from this one Soviet missile system alone.

There are many other important provisions of the Treaty which impose additional significant restraints on the ability of both superpowers to deploy more nuclear weapons. But, equally significant from our own point of view are the areas which the Treaty does not touch:

It does nothing to curb our "forward-based" forces in Europe—the 700 American missiles and planes equipped with nuclear bombs that are within striking range of the Soviet Union (the Soviets have no such weapons close to the U.S.) We have more nuclear warheads in Europe than the Russians have in the entire world, and they are all excluded from the provisions of the Treaty.

The Treaty does nothing to change the current imbalance, favorable to us, in which 70% of Russia's nuclear power is concentrated in exposed and increasingly vulnerable land-based missiles, while nearly 75% of ours is on almost totally invulnerable submarines and bombers.

It also does nothing to restrain the nuclear capabilities of the three other nuclear weapons states (Britain, France and China), all potential adversaries of the Soviet Union.

SALT II prohibits none of the programs which our own military leaders believe are necessary for improving our own strategic nuclear capabilities. Throughout the negotiations, care was taken to preserve the options that those responsible for our military planning have defined as necessary to our security. In fact, the agreement allows the United States to go forward with every single strategic nuclear program now on our drawing boards—all of our military options are open. We can arm our heavy bombers with thousands of new, accurate cruise missiles of unlimited range. We can go ahead with our new Trident submarines and our new longer-range, more accurate Trident missiles. We can go forward with our new warhead and guidance system for our ICBM's, and develop and deploy our MX mobile missile. The Treaty will not interfere with any of these programs but will, in fact, aid our planning by giving us a much clearer picture of the military threat we will face in

the 1980's, and by setting limits on what the Soviets can do.

#### WHAT WILL HAPPEN IF SALT II IS NOT APPROVED?

SALT II deserves support because the provisions of the Treaty itself are clearly in our interests. In addition to that, however, rejection of the Treaty by the U.S. Senate would have profoundly damaging consequences to this nation:

Rejection of the Treaty would damage the United States' leadership position among our allies and throughout the entire world. There would be a global perception that America had chosen confrontation rather than cooperation and peace, and that the Soviet Union is more committed than is the United States to limiting the threat of nuclear war.

Our allies would lose faith in our ability to conduct international affairs. It would indicate to them that we cannot generate a stable national consensus on even this most crucial of foreign policy issues. It would also tell them that a relaxation of East-West tensions is not likely to come about from bilateral U.S.-U.S.S.R. negotiations and that, if they wish to pursue detente, they will have to do so on their own.

And, here at home, rejection of the SALT agreement would leave our national security policy in disarray, with no clear support in the country or in Congress for any specific approach to national defense issues or the limitation of nuclear armaments.

Our relations with the Soviet Union would worsen and tensions would increase. The SALT process would be stopped dead in its tracks, and the prospects for achieving significant reductions in nuclear armaments at any time in the near future would become extremely remote. The Russians have been involved in these bilateral negotiations with us now for more than seven years, they have engaged in this process with the utmost seriousness, they have made most of the major concessions—and it would be incomprehensible to them if we were now to abruptly discard the results of all our mutual efforts. They would be led to conclude that the U.S. had changed its policy, and they would move to further build up their own military forces.

We would thus be sending the wrong signals to Moscow—signals which few thinking Americans would want to send. At a time when Soviet leadership will surely be in transition, we will be strengthening the hand and validating the position of the militarists and hardliners in the Kremlin who want an escalation of tensions and dangers in the world.

Finally, and most importantly, we will greatly jeopardize our own national security. Unrestrained by the terms of the Treaty, and angered and frightened by the abrupt reversal of an American nuclear policy pursued by recent Democratic and Republican administrations alike, the Soviets would be encouraged to go ahead with development, deployment, and expansion of nuclear weapons systems that would otherwise have been prohibited by SALT II.

Without SALT, the Russians would have twice the number of nuclear warheads, hundreds more missiles and heavy bombers, and several new types of ICBM's than they would be allowed under the Treaty. There would be no limit on the size of these new missiles and, most importantly, no limit on the number of individual nuclear bombs with which each missile could be equipped—thus greatly endangering the survivability of our own nuclear forces.

Without SALT, there would be no restriction on concealment and encoding practices, and no requirement that the U.S.S.R. give us data on their nuclear systems (as re-

quired by SALT), thereby making our verification of Soviet missile testing, development and deployment much more difficult.

Thus, without SALT II, we would have a renewed and destabilizing nuclear arms race—and all we would end up with would be greater military and political uncertainty, many additional billions of dollars in defense costs—and less security for our nation.

#### THE CHOICE BEFORE US

It is important to remind ourselves what we are talking about—an issue totally unlike anything we have ever had to deal with before. Even a single nuclear explosion over any major city would result in a catastrophe greater than any mankind has ever known. We are talking, in brief, about the survival of the human race.

As I said at the outset, there is only one standard against which to measure the provisions of SALT II: does the Treaty serve the security interests of the United States by lessening the possibility of a nuclear exchange? I think the answer is clearly in the affirmative—and I suggest that the burden is on those who feel differently to show us how rejecting SALT II would reduce the Soviet threat in any way or lead to a safer, saner, or more secure future for any of us.

We have negotiated a Treaty that is favorable to our side and that protects our own security interests—and we must be wise enough to seize this opportunity and ensure its success. ●

#### NATIONAL DAY OF SRI LANKA

#### HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. BOWEN. Mr. Speaker, February 4, 1980, marks the 32d anniversary of the independence of Sri Lanka.

I have been privileged to visit Sri Lanka, which means resplendent land, also known as Ceylon, and Sri Lanka is a most appropriate name for this shining example of democracy among the developing nations.

When it gained independence from Great Britain in 1948, Sri Lanka set out to establish firmly the twin principles of democracy and economic opportunity, building upon the foundation so wisely constructed by Great Britain, the colonial administrator. Universal adult suffrage was introduced in 1931, and one of Asia's highest literacy rates has been expanded even further since the peaceful transition to independence in 1948. Four-fifths of Sri Lanka's adult population is literate, and over 80 percent of eligible voters participate in general elections. In addition, life expectancy is up to 68 years, and the population growth rate is down to 1.5 percent.

Two years ago, Sri Lanka moved from a parliamentary form of government to a modified presidential system. An elected President now serves a 6-year term and works with a Parliament also directly elected by the people. The actions of the Parliament cannot be vetoed, and there is also an independent judiciary. Equal opportunity is guaranteed to every Sri Lankan citizen, irrespective of language,

ethnic origin, or religion, by the 1978 Constitution.

The most salient influence in Sri Lanka today is the leadership of President J. R. Jayewardene, who heads the United National Party. He is now carrying forward, with the assistance of a very talented Cabinet and a wise Parliament, a program of economic and financial reform aimed at establishing a free market economy, greater tax incentives for increased private savings and investment, and a system in which hard work and initiative can enable anyone to prosper. Private capital, both foreign and domestic, has responded well, and the Sri Lankan economy and opportunities for her people are rapidly expanding.

Mr. Speaker, since February 4 is the National Day of Sri Lanka, I think it is appropriate that we offer our congratulations to a nation which has exerted great influence for moderation and balance in the nonaligned movement, which has condemned the Soviet invasion of Afghanistan, and which is a model of political and economic democracy for many developing nations. ●

#### CIA SUDDENLY HAS FRIENDS AGAIN

### HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. McCLORY. Mr. Speaker, a recent article in the Chicago Tribune by the Columnist Nick Thimmesch describes a new public perception of our Nation's intelligence agencies.

The hearings which are being conducted by the Legislative Subcommittee of the House Permanent Select Committee on Intelligence are extremely significant in identifying the congressional response to this renewed support of the intelligence agencies.

I am hopeful, of course, that this public support will continue and that we may perform responsibly in behalf of revitalizing our intelligence agencies—as President Carter indicated in his state of the Union message.

The recognition by the President that both our military posture and our intelligence capabilities need to be augmented is commendable. His statements are consistent with his proposed new direction in foreign policy. I regard the President as a newcomer to these views, but hasten to note that he is voicing sentiments reflected in the public polls.

Mr. Speaker, Nick Thimmesch has dramatized the new support which is being extended to the CIA and to other intelligence agencies, and I commend his article to you as it appeared in the January 26 issue of the Chicago Tribune as follows:

The CIA, that necessary rogue, is appreciated again. The Republic's overseas troubles have swung the public and the decision-makers over to its side. Rational people know that the United States must have a

Central Intelligence Agency—a title, by the way, far more popular in surveys than the pejorative initials CIA.

Only a few years ago, Congress was beating the whey out of the CIA. The Hughes-Ryan Amendment to the 1974 Foreign Assistance Act all but stopped the CIA from engaging in covert actions. Between 1975 and 1979, four major congressional committees went over every wart and pimple on the CIA, producing 7,093 pages of hearings and reports, and creating the notion that perhaps the agency's days were numbered.

The CIA crawled out of this wreckage, retreated to its Langley, Va., campus, and began offering the public all manner of free documents to reassure everybody that it was an open enterprise.

But it can't be. Since Iran, Congress has been demanding that the Central Intelligence Agency behave more like the old CIA and have spies in appropriate vital places so that our government will know what's going on. Birch Bayh, chairman of the Senate Intelligence Committee, even goes around defending the CIA these days on matters like its Afghanistan intelligence.

A 73-19 majority of Americans according to a recent ABC News-Harris Survey, now favors "overhauling and stepping up CIA intelligence activities around the world." A 57-34 majority wants the United States "working to overthrow the Ayatollah Khomeini in Iran."

Several years back the survey gave the CIA a 49-32 negative rating. The agency was a favorite target for politicians and the press. Sinister motives were attributed to the CIA in movies, TV films, and skin magazines.

CIA recruiters had to knock before entering any college door; some universities are still opposed to such recruitment. But agency officials now report no serious difficulties on this one-time enemy soil. Applications by college graduates are up, and the applicants' educational levels are up to one-third better than a few years ago. In 1979 there were 104,000 inquiries about employment at the CIA, with 16,400 interviews conducted. There is a 21 per cent increase in recruitment of women.

Still, the agency has serious problems. Wholesale firings during the reform period caused loss of people needed now and diminished morale. Euphemisms like "special actions" replaced "covert actions." Indecision and a feeling of lack of purpose plagued the building. The idea got around that PHOT-INT [acronym for photo-intelligence] would prevail over HUMINT [human intelligence].

The Freedom of Information Act has been invoked 25,000 times at the CIA by individual Americans, universities, Congress, and foreigners, the latter group no doubt including intelligence agents from hostile countries.

The Polish Embassy here even asked for sensitive information, as it is allowed to under the act. Last year, the CIA spent more than 116 man-years on request for information. No request galls the agency more than those from Phillip Agee, one-time agent and now an admitted enemy seeking to put the CIA out of business.

"Total application of public disclosure statutes to the CIA is seriously damaging our ability to do our job," Frank C. Carlucci, deputy director, told a select, congressional committee last year.

Foreigners willing to serve as information sources are leery of doing anything for the CIA because of FOIA, Carlucci said:

"A foreign intelligence source from a Communist country broke off a productive association with us specifically because of fear of consequences of disclosure under the Freedom of Information Act."

Similarly, foreign intelligence officers of friendly nations are reluctant to cooperate. Patriotic Americans are also afraid to volunteer information. Carlucci told a president of a U.S. firm, a former cabinet member, who said "any company was out of its mind to cooperate with the CIA as long as the provisions of FOIA apply to it."

Anyway, Iran and Afghanistan demonstrate that American interests are hardly served by the enfeebling of the CIA, the degradation of its work by the three TV networks, and the aberration of the top intelligence agency having to show its innards to anybody who comes along. ●

#### NOMINATION OF RUTH BADER GINSBURG TO THE U.S. CIRCUIT COURT OF APPEALS

### HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. DANNEMEYER. Mr. Speaker, the nomination of Columbia University law professor Ruth Bader Ginsburg to the U.S. Circuit Court of Appeals for the District of Columbia raises the question of what exactly is President Carter trying to do to our Federal court system.

Although her record indicates legal accomplishments, Mrs. Ginsburg is certainly not one of the top candidates who could be nominated to sit on the court which may be the second highest court in our Nation. She lacks judicial experience. She has not compiled scholarly treatises on complex legal topics. She is certainly not one of the better known legal professors in the country.

What are her chief qualifications? Certainly, one reading the newspaper accounts of the appointment and the reaction to it discovers that Mrs. Ginsburg is considered one of the leading feminist lawyers, had been successfully involved in a number of key sex discrimination cases, is a passionate advocate of the ratification of the equal rights amendment, and is an activist participant in the so-called women's movement by her involvement in the Women's Rights Project, Women's Action Alliance, and the Women's Law Fund. The appointment comes at the very time when President Carter was under attack from some quarters for not being sufficiently responsive to the demands of the women's movement and when the National Organization of Women announced their intention not to support President Carter's reelection bid. We may legitimately ask what political considerations were behind Mrs. Ginsburg's appointment at this particular time? Did President Carter need a judicial nominee or did he need a judicial nominee which would curry favor with certain advocates in the women's movement?

I doubt whether Mrs. Ginsburg can separate her already well-known views on legal questions in the women's movement from the requirements of key cases coming before the court of

appeals: Will she be able to exercise judicial restraint or an impartial decision on sex discrimination cases? Will she carry her views forward on cases dealing with such issues as jobs, abortion, contraception, et cetera? Will she be an arbiter on the court or an advocate? Will she impartially render the law or will she try to write into law what she from her past writings and policies views as desirable social policies? Will she adopt the equal rights amendment judicially through her court decisions?

These are all questions of legitimate concern. The courts are for legal decisions and not for political appointments or for political advocacy by judges. Ruth Bader Ginsburg may be an able scholar in the field of law but this background does not necessarily make her qualified for sitting on the U.S. Circuit Court of Appeals for the District of Columbia. ●

#### A REPORT FROM THE WHITE HOUSE CONFERENCE ON SMALL BUSINESS

**HON. ELWOOD HILLIS**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HILLIS. Mr. Speaker, I am placing in the RECORD a copy of a letter I received from Mr. James Meck, president of Northern Indiana Supply Co., Inc., Kokomo, Ind. Mr. Meck was my appointee to the White House Conference on Small Business held in Washington, D.C., January 13 to 17.

Mr. Meck's letter is an excellent description of the concerns expressed by the participants of the Conference. Tax reform, capital formation and cost recovery, inflation, Government spending and regulation, and reform of the social security system are all problems which Congress must address if we are to ever lift the burden of excessive Government interference from the American businessman's back. While the White House Conference on Small Business was able to focus on the problems of businessmen, it is up to the Congress to implement those recommendations.

I strongly urge the leadership of the House to address these issues during the coming year.

NORTHERN INDIANA SUPPLY CO., INC.,  
Kokomo, Ind., January 29, 1980.

Hon. ELWOOD H. HILLIS,  
Rayburn House Office Building,  
Washington, D.C.

DEAR BOB: I thank you for the opportunity to represent you and our district at the recent White House Conference on Small Business. Although with Indianapolis, Chicago, and Washington, D.C. meetings, I was away from work six days, I believe we had and will have an opportunity to present small business problems and solutions to our government.

The first meeting I attended at Indianapolis this summer was one of fifty-seven open forums to discuss issues affecting small business. The ideas and suggestions from these meetings were discussed in depth at ten re-

gional meetings. These meetings fashioned the agenda and issue areas for the National Conference. At the National Conference we had twelve issue areas and each delegate was to choose two areas in which to work. We took twenty to thirty ideas in each area and arrived at the five most important by discussing them and then voting. The top sixty issue recommendations were presented to the delegation as a whole and we voted on the top fifteen to present to the Congress and executive branches of our government.

Although I am sure you will receive a formal presentation of our work, I would like to give you my feelings on some of the issues. I think all small businesses are affected by the need for capital formation and retention which was the most popular of the issue areas. One recommendation was to lower and graduate the corporate tax scale up to \$500,000 profit, and to put a lid on the individual rate at 50 percent of income derived from a small business. This would be similar to the lid on capital gains.

Another recommendation was to revise estate tax laws to ease the tax burden on family-owned business and encourage the continuity of family ownership. I believe that after a proper study and re-writing of the laws in this area, Congress can help stem the flow of small business disappearing to the large corporations.

A very popular subject was to adopt a simplified, accelerated capital cost recovery system to replace the present complex asset depreciation range regulations with provisions such as:

(a) immediately expensing capital costs less than a specified amount.

(b) immediately expensing government mandated capital costs.

(c) the creation of a maximum annual benefit that may be derived from the system.

The area of inflation was considered very important to small business, because by and large they are very competitive and cannot adjust to inflation as well as big business, big labor, and big government. The most important recommendation in my opinion was: Balance the federal budget by statute in fiscal year 1981 by limiting total federal spending to a percentage of the GNP, commencing with 20 percent and declining to 15 percent. Another issue was to reform the Social Security System with specific recommendations.

Government regulations and paperwork received a lot of attention. The most important issue was that Congress should maintain oversight on the proliferation of regulations and veto unnecessary ones. We would also like sunset reviews on existing laws and regulations.

The office of advocacy in the Small Business Administration received many good comments and the economic policy and government program workshop thought that the office should be expanded into other agencies. This workshop also stressed that all government agencies submit small business economic impact statements with new regulations.

I have highlighted a few of what I consider the most important issues discussed. I hope that the format work done by the Conference will filter out in the form of legislation that you can support. Even more important is that maybe some of the bureaucrats in Washington are aware that we (small business) are out here because we were there.

Thanks again for the opportunity to serve you and the Fifth District Small Businesses.

Very truly yours,

JAMES E. MECK. ●

#### REPORT FROM THE MIAMI CONFERENCE ON THE CARIBBEAN

**HON. GUS YATRON**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. YATRON. Mr. Speaker, toward the close of last session, I had the pleasure of participating in the Miami Conference on the Caribbean, which took place November 28-30 and brought together key public and private sector leaders from the Caribbean countries and several hundred leading U.S. businessmen.

In my view, this conference was a very important opportunity for the U.S. Government to present our own interests and concerns for the region, and to listen to priorities and viewpoints of diverse sectors of Caribbean leadership and opinion.

It was also an important opportunity for Caribbean businessmen and development officials interested in attracting U.S. investment to get together with potential investors and trading partners, using informal time at the conference to follow up on information and ideas set forth during the sessions.

The conference opened with a strong statement of policy. President Carter delivered a message by closed-circuit television, emphasizing American support for Caribbean aspirations for prosperity and human rights.

The President's message was followed by a major statement of U.S. policy toward the Caribbean, delivered by Ambassador Philip Habib, senior adviser to the Secretary of State.

Ambassador Habib pointed to five principles guiding U.S. policy in the region: Support for economic development, commitment to democratic practices and human rights, acceptance of ideological pluralism, respect for national sovereignty, and strong encouragement of regional cooperation and Caribbean activism in world affairs.

I believe both of these statements reflect a significant direction in U.S. policy that recognizes the importance the future of the Caribbean will play in our own future. I ask that the text of President Carter's message be included in the RECORD:

#### REMARKS OF THE PRESIDENT AT THE MIAMI CONFERENCE ON THE CARIBBEAN

The President: Even though I cannot be with you in person this evening, I want to use this conference to reaffirm my commitment and that of the United States to economic development and democracy in the Caribbean. We ourselves are part of the Caribbean community and we know that development and democracy are key to realizing the strength of the region and meeting its challenges.

The Caribbean today is passing through a time of rapid change and our mutual challenge is to steer a course economically, socially and politically, that will lead to a better life for all our people.

Twenty years ago only three island nations in the Caribbean were independent.

Today there are thirteen such sovereign nations and that number is likely to increase by as many as five in the next few years. Behind these numbers is a stirring history. Its beginning was an unpleasant story marred by lonely struggles against slavery, colonialism and, too often, indifference by the outside world. But the drive of the Caribbean peoples toward freedom and modern development is primarily a proud story, one of courage, imagination and determination in the face of hardship.

Today, however, with independence largely won, the Caribbean still faces many problems. Perhaps the most serious problems are economic. Spiraling oil prices, unstable commodity markets, uneven growth, inflation and unemployment are not unique to the Caribbean. But these global trends have struck the small countries of the Caribbean with special severity. They add a major burden to the already imposing challenge of the building and development of independent nations. And economic deprivation creates vulnerabilities to extremism and to foreign intervention.

In facing these problems, the Caribbean has some significant advantages. In addition to its beauty and climate, vigorous political institutions and talented human resources provide special opportunities. From the resurgent social democracy of the Dominican Republic, to the established parliamentary traditions of some English-speaking peoples, free institutions have fostered development within a stable framework.

The awarding of this year's Nobel Prize to the distinguished development economist, W. Arthur Lewis, exemplifies the achievements and contributions of the island peoples. Citizens of the United States and the Caribbean stand together with a common pride in our achievement. We stand for the rights of people to be free of oppression, free from arbitrary abuse, and free to participate in their nation's political life.

These rights of freedom are precious. Whatever the claimed justification, we will not be silent when these rights are abused. We stand with those who are genuinely committed to economic development. We stand with those who espouse social justice and human rights, and who work to translate them from abstract goals into real programs. We stand with those who are genuinely committed to international relations based on mutual respect.

As President, I have sought consistently to implement these principles, and to strengthen relations in the region. We negotiated canal treaties with Panama, in keeping with our determination to forge new and better relationships with developing countries. We have worked with 30 countries and 15 international institutions to establish a Caribbean group, which has expanded and coordinated the flow of aid to the region, and will support efforts to design, fund and implement regionally-integrated development activities.

My Administration has increased direct economic assistance to the Caribbean, nearly doubling bilateral aid obligations over the past two years. As actual disbursements reflect these increases, we will be contributing more than ever before to generate employment and to help meet basic human needs. This is particularly true for the newly-independent countries of the Eastern Caribbean.

We have come rapidly to the assistance of countries like the Dominican Republic and Dominica, friends in need of emergency aid to rebound from natural disasters. We have repeatedly shown our eagerness to support political freedom and democratic processes. But such governmental action, no matter how important, is still not enough.

That is why your meeting tonight is so important. The United States has vast untapped resources of technology, skills and good will. I will use my office and my influence to help mobilize the people of the United States to work with the people of the Caribbean for common goals, social and economic development, and democracy.

In the United States, our universities, agricultural and labor organizations, business and industry, churches, and other benevolent institutions, state and local governments, and individual private citizens, can all play a vital role in establishing mutually-advantageous relationships with our friends in the Caribbean. We can all benefit from improvements in education, agriculture, tourism, industry, trade, health, transportation, employment opportunities, and personal friendships among our people.

The answers for the future are in the Caribbean's own talents and traditions, not in the false promises of foreign models. Solutions will not emerge by blaming our problems on our own friends. To seek freedom, justice, independence and a better life, one needs to work closely with those who genuinely share the goals of development and democracy. I hope that the other basin states of Venezuela, Colombia, Mexico and Central America will play a vigorous role in this effort.

The Caribbean group is an excellent example of the benefits of a multi-lateral effort. Closer cooperation between the Caribbean community and the Central American Common Market, and perhaps also the Andean Pact, could be another step toward greater progress. Like the Caribbean, Central America is experiencing a period of profound change. Unlike the Caribbean, where nations are struggling to defend democratic institutions while they modernize, many of the nations of Central America are seeking to develop democratic institutions which had not previously existed. Nevertheless, both regions have much in common, and also much to learn from each other.

Few societies can more genuinely speak of a common destiny than ours; for the United States and the Caribbean, the ties of history and geography are continuously renewed by what can only be described as one of the most intense people-to-people relationships in the world today. It is a relationship filled with exciting possibilities that are waiting to be explored. As leaders and molders of opinion, we have a special responsibility to build understanding, to defend the region's democratic institutions, and to promote development of social and economic justice.

On behalf of the people of the United States, I pledge our continuing respect and support for these efforts. Thank you very much. ●

#### THE NEED FOR OVERSIGHT HEARINGS ON THE EPA'S PROPOSED REGULATIONS ON VISIBILITY IMPAIRMENT

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. RUDD. Mr. Speaker, on November 5, 1979, as a result of litigations brought about by the Friends of the Earth, the U.S. District Court of the District of Columbia directed the Environmental Protection Agency to implement section 169(a) of the Clean Air Act Amendments of 1977. That section established as a national goal,

protection of visibility in class I Federal areas from impairment by manmade air pollution.

That section further requires the EPA to study methods for achieving that laudatory goal and to report to Congress with definitive methods for identifying and quantifying visibility impairment; modeling techniques or other methods for determining the extent to which manmade pollution may reasonably be anticipated to cause or contribute to such impairment; and methods for remedying such manmade air pollution and resulting visibility impairment.

The district court established a timetable for the EPA to undertake this massive regulatory task that is inherently unreasonable, requiring that regulations be submitted by May of this year and implemented by November 15, 1980. I might note that under the 1977 Clean Air Act amendments, these regulations were supposed to be implemented last year, however, due to the lack of sound scientific methods for achieving the goals of section 169(a), initiation of the rulemaking process was, quite reasonably, postponed.

The U.S. district court, in taking its action, has ignored a palpable body of scientific data that clearly indicates more complete information is needed prior to the enactment of any regulatory measures dealing with visibility, allow me to quote from the Environmental Research and Technology (E.R. & T.) Inc. study, "An Assessment of the Principal Technical Issues Related to Visibility Protection Under the Clean Air Act," which was completed for the U.S. Department of Energy in September of 1979:

Limited information exists at this time to support the administration and implementation of a regulatory framework, either on a national or a regional scale, for the 1977 Clean Air Act amendments mandate relating to visibility improvement.

Furthermore, the E.R. & T. report goes on to note that—

Existing methods to measure the cause and effect of visibility changes in class "I" areas are very limited and require substantial improvement before they can be applied in regulatory practice with reasonable confidence.

The report also states:

Review of air quality models applicable to visibility problems indicates that available modeling techniques are not adequate at present for regulatory decisionmaking, relative to estimating visibility impacts of major energy facilities.

I find this particularly disturbing in light of our Nation's energy plight. I hope we are not facing increased costs for energy as a result of poorly contrived regulations.

The findings of this study are revealing in light of the acquiescence of the EPA to the district courts decision. It is patently obvious that the EPA cannot, with reasonable scientific justification, promulgate meaningful regulations at the present time. To quote further from the E.R. & T. report:

Determination of visibility baselines and source contributions to visibility impairment should be a major priority within the next year and could take up to 5 years to complete.

In short, there is not a valid body of scientific evidence available right now to base regulations on and further studies are genuinely needed which could take up to 5 years. It is clear that our country is faced with yet another instance where the courts have mandated rulemaking without considering the full impact of their actions.

It is my grave concern that the EPA not promulgate unduly restrictive regulations in the present atmosphere of scientific uncertainty as to the very definition of what constitutes visibility impairments.

In view of the fact that the EPA has not challenged the district court decision and intends to carry out the rule-making process, and in view of the statutory requirement for a full report to Congress, I strongly urge my colleagues in both Houses to hold oversight hearings on the EPA's hastily conceived efforts to establish visibility impairment regulations. ●

#### OMB STUDY CONCERNING THE DISTRIBUTION OF THE FEDERAL WORK FORCE

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HARRIS. Mr. Speaker, I would like to direct the attention of this House to a letter which I sent recently to the Director of the Office of Management and Budget concerning his recent study on the distribution of the Federal work force. I think that this matter should be of interest to my colleagues since the study dispels a common misconception concerning the distribution of Federal employees throughout the country.

Through its findings the study also makes an implicit statement concerning the types of individuals who work for the Federal Government. The Federal work force is composed of working men and women from all walks of life in cities and counties across this Nation, and I am pleased that this study has reinforced my belief that the Washington bureaucracy exists primarily in the minds of those who write politically popular fiction.

The letter follows:

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON POST OFFICE AND  
CIVIL SERVICE, SUBCOMMITTEE ON  
HUMAN RESOURCES, CANNON  
HOUSE OFFICE BUILDING,

Washington, D.C., January 25, 1980.

JAMES T. MCINTYRE, JR.,  
Director, Office of Management and Budget,  
Executive Office Building, Washington,  
D.C.

DEAR MR. MCINTYRE: I have reviewed with great interest the report prepared by your office concerning the feasibility of decentralizing Federal activities and relocating them outside the National Capital Region.

The findings of this study, which was mandated by an amendment to the Civil Service Reform Act by Congressmen Jim Leach, show the inaccuracy of much of the conventional wisdom concerning big government and begin to debunk some of the myths concerning Federal employees.

Your study found that the Federal government is in fact already decentralized, maintaining 22,000 Federal facilities throughout the United States. Approximately 88 percent of the total Federal civilian workforce is located outside the National Capital Region. Nearly nine out of ten employees of the Federal government live in towns and cities across the nation, pay local school taxes, suffer from inflation, participate in local affairs, and pay Federal income tax on their earnings. Although this is not the generally accepted image of Federal employees, it is nonetheless accurate.

Moreover, your report states that this mix has been relatively stable for the last decade, despite the fact that actual Federal civilian employment has decreased during the same period. These facts effectively dispute claims that the "Washington bureaucracy" has grown in size and become removed from the citizens it serves.

I was especially pleased to note that the OMB has found no basis for recommending major physical decentralization of Federal functions currently located in the National Capital Region. Relocation carries a sizable pricetag in terms of direct and indirect costs. Besides these considerations, too much decentralization causes organizational inefficiencies which could adversely affect program delivery.

The report does identify Federal activities employing 9200 National Capital area residents which agencies may consider for possible relocation. I am hopeful that the agencies are made fully aware of the costs of relocation, and that they carefully study all factors involved before considering the relocation of any Federal activity.

Sincerely,

HERBERT E. HARRIS II,  
Chairman, Subcommittee on  
Human Resources. ●

#### BUDGET BRIEF

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. EDGAR. Mr. Speaker, following is an analysis of the low income and rural housing budget proposal for fiscal year 1980, as well as an analysis of the budget for unemployment compensation. These budget briefs have been prepared by the Northeast-Midwest Congressional Coalition:

#### BUDGET BRIEF No. 5: LOW-INCOME AND RURAL HOUSING

##### HIGHLIGHTS

The president has requested \$33.2 billion in budget authority to fund 300,000 units of subsidized rental and public housing, representing a real increase of 25 percent in the number of subsidized housing units the Department of Housing and Urban Development will fund in fiscal 1980. The administration's budget request reverses the trend in recent years of a decline in funding and responds to the growing need for low-income housing in a shrinking rental market.

The president's fiscal 1981 budget proposes an overall reduction in rural housing assistance—a 15 percent decrease in real dol-

lars: Within this framework, however, the budget proposes a decrease in the total amount of funds available to moderate-income persons and an increase in the total amount of funds going to low-income persons.

#### I. Low-income housing

##### BUDGET SUMMARY

(Dollars in billions)

	1979	1980	1981	Percent change, 1980-81	
				Actual	Adjusted for inflation
Subsidized housing (Section 8):					
Budget authority .....	\$22.9	\$19.6	\$24.4	24.5	14.6
No. of units funded .....	269,707	202,220	285,000	40.9	.....
Public housing:					
Budget authority .....	\$8.2	\$7.7	\$8.8	14.3	5.2
No. of units funded .....	55,368	38,172	42,000	10.0	.....
Total housing:					
Budget authority .....	\$31.1	\$27.2	\$33.2	22.1	12.4
No. of units funded .....	325,075	240,392	300,000	24.8	.....

#### Background

The administration anticipates that its budget request of \$33.2 billion will enable the Department of Housing and Urban Development to subsidize 258,000 rental units for lower-income households under HUD's Section 8 housing assistance program, and 42,000 units under its public housing program. This year's request for subsidized housing marks an increase of \$6.0 billion in budget authority and allows an estimated 60,000 more units to be funded, while retaining the 60/40 ratio of newly constructed units to less costly existing ones. The proposed distribution of low-income housing units under both programs includes 180,000 newly constructed or substantially rehabilitated units, and the acquisition of 120,000 existing structures, of which 40,000 will require moderate rehabilitation.

Unlike other budget categories, budget authority for subsidized housing represents the total cost of HUD funds committed over a long-term contract period of 15 to 40 years. In short, it is more useful to discuss HUD program funding levels in terms of the number of housing units that will be subsidized at a given dollar level.

Last year's budget controversy over subsidized housing centered on calculations by the Office of Management and Budget indicating that the President's fiscal 1980 budget request of \$26.7 billion would fund 300,000 housing units. OMB's calculations were based on its optimistic projection that a lower per unit cost could be achieved, and the ration of less costly existing housing to new construction would be increased by 5 percent, to 45 percent of the total units funded. The latter would have required a statutory amendment because current law requires HUD to base its subsidized housing mix on local Housing Assistance Plans (HAPs). OMB's calculations did not foresee last year's 17 percent inflation rate in the housing construction industry, and the actual number of subsidized housing units dropped from the projected 300,000 to fewer than 240,000.

This issue appears to have been resolved in this year's budget request, with per unit housing costs gauged to reflect the impact of high inflation in the housing industry.

#### Regional Implications

Inflation, condominium conversions, and the high cost of mortgage money all have

contributed to the shortage of housing, particularly low-income rental units. Early projections indicate that the 1980 Census will show the percentage of the population living in poverty is increasing in Northeastern and Midwestern states, thereby expanding the numbers of poor persons relying on the capacity of HUD to provide decent, affordable housing under the Section 8 and Public Housing programs. In 1978, the Northeast-Midwest region received 56 percent of all units allocated under Section 8 Housing Assistance program; 1980 estimates show that the region's share of Section 8 funding dropped to less than 50 percent, with a marked decrease in the number of new units constructed.

## II. Rural housing

### BUDGET SUMMARY

(Dollars in millions)<sup>1</sup>

	1979	1980	1981	Percent change, 1980-81	
				Actual	Adjusted for inflation
Section 502 insured housing loans:					
Subsidized.....	\$2,007	\$2,220	\$2,300	3.6	-4.6
Unsubsidized.....	860	860	472	-45.1	-49.5
Section 515 rental housing loans:					
Subsidized.....	822	820	820		-7.9
Unsubsidized.....	48	48	48		-7.9
Section 504 very-low-income housing repair:					
Loans.....	15	24	50	108.3	91.8
Grants.....	19	24	25	4.2	-4.1
Home ownership assistance program (HOAP) <sup>2</sup>			100		

<sup>1</sup> These figures reflect program levels. According to the Agricultural Department, "program level represents the total financial value of benefits provided to the public by USDA." The figures for 1980 and 1981 are estimates.

<sup>2</sup> This program has been proposed for 2 years, but Congress has failed to appropriate funds. The \$100 million reflects the total cost of the program over the maximum term of the agreements. Actual first-year expenditures would be approximately \$1 million.

### Background

The overall decrease in housing funds will affect some states more severely than others because of the way Farmers Home Administration funds are distributed. Before fiscal 1977, the distribution of rural housing funds was based on historic program activity. But in 1977, the Farmers Home Administration began using formulas to distribute its housing funds. The formulas, based on "need" indicators determined by the agency, were established so that funds could be distributed by need rather than by demand.

The initiation of the formula resulted in some states receiving what Farmers Home has described as "unacceptable" increases or decreases in their level of funding. It was necessary, therefore, to temper those changes with a transition formula to ease states into their new level of funding. Many of the states which historically had received large amounts of money under these programs no longer qualified under the new allocation method based on need for the share of funds they were receiving. On the other hand, the total share of funds increased for those states not making wide use of the programs but entitled to greater amounts under the formula.

### Regional Implications

FmHA's decision to distribute funds on the basis of need is sound, but there is some question as to the effectiveness of the formula's need indicators to accurately measure need. The formulas have been criticized on a number of fronts and there is some indication that the Farmers Home Administration will recommend new formulas for

use in the next fiscal year. The Northeast-Midwest Institute has found that the substandard and poverty definitions currently used in the allocation formulas are inadequate and should be broadened to more accurately measure need throughout the nation. The current substandard definition includes only those homes that lack complete plumbing or are overcrowded, and poverty is presently measured by the national poverty line. The substandard definition should, at the very least, be broadened to include those homes that lack efficient heating systems. In addition, a poverty indicator that takes into account geographic variations in the cost of living should be employed.

### State Implications

In fiscal 1980, 14 of the 18 states in the Northeast-Midwest region experienced reductions in their actual funding levels or in their total share of funds for either the Section 502 or 515 program. The cut in the Section 515 program resulted from the smaller amount of total funds being allocated by formula (because of the large amount of funds held in reserve by the national office) and the effects of the transition formula. Although the total amount of funds to be allocated by formula increased slightly from fiscal 1979 for the Section 502 program, the total share of funds for a number of states decreased as a result of the transition formula.

These cuts will be exacerbated in fiscal 1981. Because funding levels for the Section 502 program have been reduced, every state will lose some funds. The transition formula will decrease some state shares of funds even further. Similarly, the transition formula will reduce some states' total share of funds under the Section 515 program.

### BUDGET BRIEF NO. 6: UNEMPLOYMENT COMPENSATION

#### HIGHLIGHTS

The president's fiscal 1981 budget for unemployment compensation is based on revised rules for the Extended Benefits program, making it less likely that the program will go into effect. The move is expected to cut \$900 million in federal unemployment benefits and an equal amount in state benefits despite an anticipated rise in the national unemployment rate to 7.4 percent in 1981.

Northeastern and Midwestern states, many of which have suffered from high levels of structural unemployment, probably will see even higher unemployment rates in the next two years. The new regulations mean that less federal money will go to the Northeast-Midwest region and the recession will have a greater negative impact on jobless workers than it would under the present system. But it also means decreased outlays from some state trust funds in the region.

The changes will go into effect February 13, 1980.

### BUDGET SUMMARY

(Dollars in millions)

	1979	1980	1981	Percent change, 1980-81	
				Actual	Adjusted for inflation
Unemployment compensation:					
Budget authority.....	\$15,516	\$16,940	\$19,351	14.2	5.2
Outlays.....	10,742	15,610	18,752	20.1	10.6

### I. The extended benefits issue

#### Background.

The budget for unemployment compensation is based on revised rules for the Extended Benefits program, making it less likely for the program to be triggered into effect. Congress established the program in 1970 to provide 13 additional weeks of unemployment benefits to workers who have exhausted their regular compensation during a recession.

The program can be activated by either state or national indicators.<sup>1</sup> When the national indicator reaches 4.5 percent, the program is triggered into effect for all states. If the national trigger is off, an individual state can have extended benefits activated when its indicator reaches 4.0 percent and the current insured unemployment rate is 20 percent higher than the average rate for the previous two years.

The revised rules change the method of counting the number of unemployed workers to exclude persons collecting extended benefits. The effect is to lower the indicator. Since the program is triggered by a high unemployment rate, the lower indicators will trigger states onto the program more slowly and trigger them off more quickly. The budget for unemployment compensation assumes that the national rate will not increase enough in 1980 or 1981 to trigger on extended benefits, saving \$1.3 billion in federal and state payments that would have gone to workers under existing rules. Private forecasters, however, project much higher unemployment rates for 1981 than the president does. If they prove more accurate, the national program could trigger "on," and most of the planned savings would disappear.

#### Regional Implications

The revisions of the extended benefits rules has serious implications for the Northeast-Midwest region because unemployment rates are generally higher in this region and are expected to increase faster during the recession than in other sections of the country. Both state and national indicators will trigger on more slowly with the new method of calculations, reducing the period that individuals can collect benefits. The change will work to the detriment of workers in states with a recent history of high structural unemployment. Even if the indicator rises above the trigger level of 4.0 percent, a state cannot qualify for extended benefits unless the indicator is at least 20 percent higher than the two-year average. Twenty-two states now have high enough averages that their indicator rates must be greater than 4.0 percent before triggering on. Nine of those states are in the Northeast-Midwest region. The Department of Labor has not yet determined the extent to which the new rules will affect the 120 percent requirement, but the redefinition of indicator rates to lower levels means that the 4.0 percent hurdle will be more difficult to reach than under the old rules.

If the projected savings do materialize, state trust funds will pay \$900 million less in benefits, reducing pressures on many states in the region to raise employer taxes.

<sup>1</sup> The indicators are 13-week moving averages of national and state insured unemployment rates. The changed formula will reduce the insured rate in several cases, thus lowering the indicators. Owing to different methods of calculation, the insured unemployment rate is several percentage points lower than the more commonly used total unemployment rate. The insured rate counts only persons who claim unemployment benefits as unemployed; the total unemployment rate includes all persons who do not have a job and are seeking work, regardless of their eligibility for unemployment compensation.

## State Implications

At the moment, Michigan, Alaska, and Puerto Rico are the only states eligible for extended benefits. Other than Michigan, eight states in the region have had such high levels of unemployment in the past two years that they would not become eligible for extended benefits even if they had unemployment rates of 4.0 percent because of the 120 percent requirement. Of those eight states, New Jersey, Pennsylvania, and Rhode Island already have unemployment rates above 4.0 percent. The others are Illinois, Maine, Massachusetts, New York, and Vermont.

## II. Financing unemployment compensation benefits

## Regional Implications

A related issue arising from the recession concerns the financing of benefits. Fourteen states in the Northeast-Midwest region had to borrow from the Treasury when their trust funds were depleted in the last recession, and eight states in the region still owe \$2.9 billion of a national total of \$3.1 billion. The recession will result in higher outlays for unemployment compensation, which must be covered by taxes on employers. If no changes are made in the system, states which are the hardest hit by unemployment probably will need to raise taxes, even though their tax burdens already are among the highest in the nation. Tax hikes will come at the worst possible time and will provide incentives for employers to shift investments away from the region.

## State Implications

The following states in the region have outstanding trust fund debts:

(In millions of dollars)

Connecticut .....	371	Massachusetts .....	232
Delaware .....	47	Pennsylvania .....	1,122
Illinois .....	947	Rhode Island .....	108
Maine .....	36	Vermont .....	41

To pay off the loans, employers in some of those states face an increase in the federal unemployment tax of 0.3 percent in 1980, another 0.3 percent in 1981, and so on until the debts are cleared. Other states (Michigan, for example), repaid their loans and will avoid the extra federal tax, but expect to borrow again later this year.

Thus, the economic downturn will result in disproportionately high losses of income and employment for firms and workers in the Northeast and Midwest. The structure of the unemployment compensation program and the revised Extended Benefits rules will create additional problems for the region during the recession. This combination of economic realities and fiscal restraints means that the Northeast and Midwest will bear a large portion of the burdens imposed by the economic policies in the 1981 budget. ●

JOHN CAVANAUGH

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 1980

● Mr. DERRICK. Mr. Speaker, in light of his service to this body, it is with no small amount of regret that I today join my colleagues in wishing farewell to a fellow Member of the House of Representatives from the State of Nebraska, JOHN CAVANAUGH.

Having previously served on the House Banking, Finance and Urban Affairs Committee with JOHN, I am in a position to note that his absence will be a substantial loss to this legislative body. JOHN CAVANAUGH's service to this country in the U.S. Army, the Nebraska State Legislature, and most recently in the U.S. House of Representatives is indeed a distinguished one.

While I can certainly understand and appreciate JOHN's desire to spend more time with his family, I am also sorry to see this body lose such a promising young Member. In light of his past accomplishments, and as a friend and colleague in the House, I would like to offer JOHN CAVANAUGH my best wishes and good luck on what can only be a successful future. ●

## UNITED STATES MILITARILY EQUAL TO RUSSIA

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. STARK. Mr. Speaker, another knowledgeable source has been heard from on the issue of the military budget. Adam Yarmolinsky, writing on the Op-Ed page of the February 4 New York Times comes to the same conclusion I have reached:

Poor-mouthing United States military strength only tends to promote unnecessary inflation of the United States defense budget—and dangerous inflation of Soviet estimates of their own capacity for mischief.

Mr. Yarmolinsky who has served both the Pentagon and the Arms Control and Disarmament Agency feels that there is a rough equivalency between the military forces of the East and the West. His essay is a fine brief summary of these forces, and I include his article at the conclusion of these remarks.

Mr. Speaker, we must have an adequate Defense Establishment, and we do. The way to keep it strong is to have a sensible plan that addresses areas that need shoring-up. We will achieve nothing but a higher rate of economic inflation if we try to throw dollars at the Pentagon in an attempt to staunch some imaginary military hemorrhage. It seems to me that we are moving in that direction and I think it is a big mistake. It will mean short-changing domestic programs and the militarizing of our society.

THE MILITARY BALANCE: ABOUT EQUAL

(By Adam Yarmolinsky)

WASHINGTON.—The periodic charge that the military balance has shifted or is about to shift across the board in favor of the Soviet Union is worrisome enough in the light of the Soviet Union's ugly military adventure in Afghanistan, other possible moves toward the Persian Gulf, and the continuing United States dependence on Middle Eastern oil. It is even more worrisome when coupled with the charge that the overall balance cannot be restored until late in the new decade.

Neither charge, however, stands up under examination.

While the facts do not suggest any grounds for complacency, they do tell us that if we pursue a sensible spending policy, emphasizing combat readiness, mobility and flexibility, there will be no "window" in the 1980's through which the Russians can with impunity reach for the "cookie jar." The Russians must measure any local advantage that they think they can gain against the overall United States-Soviet Union military balance.

In the air, on the sea, and on the ground, United States and North Atlantic Treaty Organization forces outpoint the Warsaw Pact's in quality where they do not actually outnumber them. Overall, considering that there is a rough equivalence of the forces, factors such as training, tactics and readiness become decisive.

The Russians' numerical edge in combat aircraft is balanced by our qualitative superiority. They cannot match the F-15 in air combat, nor do they have any plane comparable to the A-10, an armored close-support aircraft that can knock out tanks. Our new F-16 fighter, which is very capable in both air-to-air combat and ground support, is now coming off the production line. In combat tactics and training, we have a significant margin.

Our naval forces remain superior to the Russians'. Over the last 15 years, we have launched more than twice the tonnage and more than 20 percent the number of surface ships they have launched. Only if one compares numbers of ships without regard to size or firepower do they loom as a serious threat. They outnumber us in particular types—for example, attack submarines—since they as primarily a land power see the destruction of American shipping as a primary mission. The Soviet Union is indeed building a blue-water navy, but that navy is still the stepchild of its military establishment whereas ours commands one-third of the entire defense budget and substantially more than either the Army or Air Force.

On the ground, NATO has almost as many men under arms as the opposing forces of the Soviet bloc. The Russians have more tanks that we do, but this is at least partly offset by NATO's planes and anti-tank weapons. Further, the United States Army started last year the biggest modernization program in its history, and NATO has begun an ambitious modernization program of its own.

Given our general qualitative superiority, if we choose to increase quantities of particular weapons, we do not need to await the development of new systems, with resulting delays into the late 1980's, but often can open, continue or accelerate existing production lines.

Nor should the Soviet military performance in the invasion of Afghanistan give us pause about our relative military capabilities, if the Russians could not move 100,000 men across their own borders—most of them on existing highways—after months of preparation, they ought to turn in their uniforms.

The central issue remains one of combat readiness.

Historians generally agree that at the outset of World War II, the Germans did not have more tanks or men than the Allies, but those they had were fully combat-ready. The Pentagon's emphasis on elaborate weapons systems has tended to keep training and readiness activities on short rations. Unrealistic comparisons of weapons strengths divert military spending from less glamorous but more essential purposes.

There are a number of unsettled issues in comparing United States and Soviet military strength, from the question of theoretical vulnerability of our Minuteman land-based missiles to the utility of theater nuclear weapons in the European theater to the combat-ready capability of our existing forces.

But poor-mouthing United States military strength only tends to promote unnecessary inflation of the United States defense budget—and dangerous inflation of the Soviet estimates of their own capacity for mischief.●

#### TRIBUTE TO DAN FLOOD

### HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. COUGHLIN. Mr. Speaker, last Thursday, January 31, the Honorable Daniel J. Flood resigned his seat in the House of Representatives. Dan served in this body for 16 years, achieving eminence in the House as chairman of the Labor-HEW Appropriations Subcommittee. As such, his leadership directly affected the quality of life in the United States from the education of our young people to the care of the sick and aged to the well-being of workers and the Nation's poor. While it is often difficult to measure the impact which one individual has had on millions of lives, in the case of Dan Flood it has surely been significant.

Despite his key role in the funding of national programs, Dan never neglected his constituents in Pennsylvania's 11th Congressional District. He was an extremely conscientious and effective representative of the interests of the coal mining region of northeastern Pennsylvania. Dan was instrumental in the enactment of legislation which established the Appalachian Regional Commission, the Appalachian Redevelopment Act, the Mine Health and Safety Act which created the black lung pension program, and the Agnes Recovery Act of 1972.

No one who watched Dan Flood take personal command of the rescue operations in the wake of severe flooding in the 11th District from tropical storm Agnes can doubt his deep caring for the people he represented. His reputation as a man who could get things done was confirmed as he cut through usually time-consuming red-tape to rush military equipment, personnel, and supplies to aid the victims of Agnes. Once the crisis was over, Dan worked tirelessly to obtain massive Federal relief and economic assistance to rebuild the devastated area.

The House will not be quite the same without Dan Flood's colorful style, his eloquence, and his legislative talents.●

### INTERRELIGIOUS TASK FORCE ON SOVIET JEWRY CONDEMNS SOVIET INVASION ON AFGHANISTAN

#### HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. DRINAN. Mr. Speaker, the Soviet invasion of Afghanistan has evoked condemnation from all sectors of the American public. The wanton Soviet disregard for the right to self-determination of the Afghan people was unequivocally violated when Soviet troops marched across the Afghan frontier to seize the reigns of power there.

Dr. Andrei Sakharov, the Soviet dissident and Nobel laureate who was recently arrested and taken into internal exile, said that:

The human-rights issue . . . is not simply a moral one, but also a paramount, practical ingredient of international trust and security.

Clearly, the Soviets have violated fundamental standards of human rights, international trust, and the security of Afghanistan by their actions.

I commend the interreligious task force on Soviet Jewry for its strong statement on this subject and urge my colleagues to read it. The statement follows:

The National Interreligious Task Force on Soviet Jewry condemns the recent Soviet invasion of Afghanistan as a flagrant assault upon human rights. It is one more in a continuing series of such assaults by the USSR: Hungary in 1956, Czechoslovakia in 1968 and now Afghanistan in 1979.

Concerned about upholding the human rights of all peoples, the National Interreligious Task Force on Soviet Jewry urgently calls upon world political, religious and business leaders, farmers and consumers, athletes and sports fans, academicians and students to make the critical decisions and the personal sacrifices involved in the counter measures to censure the Soviet Union and to press for its immediate withdrawal from Afghanistan. The Task Force welcomes the U.N. General Assembly Resolution calling for all Soviet troops to leave Afghanistan and the Task Force also urges:

1. The continuation of the U.S. trade embargo of high technology and wheat supplies directed against the USSR.

2. The immediate movement of the 1980 Olympics from the Soviet Union. The U.S. should not participate if the games are held in the USSR.

The task force believes that the Muslim countries of the Middle East, especially Iran, are threatened by Soviet aggression and expansion. The USSR is a menace to Muslim religious liberty as well as to the national independence of the Islamic states of the Middle East. Those who are currently holding the hostages in Iran, whether consciously or not, are aiding the USSR in its campaign of expansion. We call upon the Iranian authorities, especially the Ayatollah Khomeini, to order the release of the hostages in the name of religious freedom and to seek an international means to resolve the dispute concerning the Shah of Iran.

The statement was signed by the following Task Force leaders:

Co-Chairpersons: Prof. Andre Lacocque, Director of the Center for Jewish-Christian

Studies of the Chicago Center of Theological Schools, Chicago, Ill.; Sr. Margaret Traxler, Executive Director of the Institute of Women Today, Chicago, Ill.; and Rabbi Marc Tanenbaum, National Director, Interreligious Affairs, American Jewish Committee, New York City.

Also: Prof. Thomas E. Bird, Chairman of the Slavic Language Department, Queens College, City University of New York; Sr. Ann Gillen, Executive Director of the National Interreligious Task Force on Soviet Jewry, Chicago, Ill.; and Rabbi A. James Rudin, Assistant National Director, Interreligious Affairs, American Jewish Committee, New York City.●

#### IRANIAN ELECTION

### HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. JENRETTE. Mr. Speaker, the inauguration today of Iran's new President, Abolhassan Bani-Sadr raises new hope for the American people that 50 of our fellow citizens may be released in the near future. Bani-Sadr lost his previous job as Foreign Minister because he expressed too much sympathy for the plight of the American hostages. Now that he has received the overwhelming support of the Iranian people at the ballot box, hopefully we can look forward to seeing an official voice in the Iranian Government expressing support in the willingness to negotiate in a manner that is reasonable for the world order we live in today. My prayer and that of the American people is that we shall see a quick and satisfactory settlement to this problem.●

#### BEDELL STATEMENT ON VETERANS HEARING

### HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. BEDELL. Mr. Speaker, on December 17, I held an informal hearing in Sioux City on veterans issues for veterans in my district. In addition to the wide attendance by veterans, this hearing was also attended by Representative BOB EDGAR, who serves on the Veterans' Affairs Committee, and representatives from the National and Des Moines Veterans' Administrations. Because this meeting highlighted many of the pressing veterans issues of the day it was of great benefit to those who participated. I would like to submit the testimony that was received at this hearing so my colleagues in Congress can also benefit from the comments on veterans in my district.

Following, in the third of a series of testimony I will be submitting to the RECORD this week, is the statement of Robert O. Steben on behalf of AMVETS—State of Iowa.

The statement follows:

## STATEMENT OF ROBERT O. STEBEN

I share the concerns of the Service Officers from the American Legion and the Disabled American Veterans about the reduction in staffing within the VA's Department of Veterans Benefits. I would like to present you with some additional information. Budgets for Federal agencies are not prepared in a few weeks or a few months. Work begins on budgets two and three years in advance. In preparing their budgets, agencies look at projected population figures, trends in customer usage, technological advances in equipment, etc. Within the Department of Veterans Benefits the field stations have had substantial staff reductions in both Fiscal Years 1979 and 1980.

In January 1978, DVB regional offices began to receive their TARGET equipment. At that time the anticipation was that the use of TARGET would be fully implemented in some stations, other than the original test stations, by the fall of 1978. This equipment was supposed to allow the regional offices to do their work in a shorter period of time with less manpower. Had this expectation become a reality, the staffing reductions suffered by the DVB field stations beginning in October 1978, would have been balanced out. In reality the TARGET program has been running far behind the original time frame that was planned for it. Unfortunately the budgets had already been established, and the budgets determine the amount of staff that will be available.

For Fiscal Year 1980, which began October 1, 1979, the DVB regional offices have experienced reductions in their staff. Again I feel that in the budget planning process the expectation was that surely by this time the TARGET program would be further along in being implemented than it actually is. Where is the Department of Veterans Benefits on its implementation of using the TARGET system?

For its own purposes the Veterans Administration has divided the United States into three regions; Eastern, Central and Western. Iowa is in the central region. The central region was to fully implement TARGET before the other regions. Within the central region the first three regional offices to fully implement TARGET were Chicago, Cleveland and Detroit. Chicago is working on fully implementing the use of TARGET. Cleveland and Detroit have not started working with full implementation as yet. Where does that leave regional offices such as Des Moines or the regional offices in other regions? It leaves them with staffing levels that I believe were largely established on the premise that they would have TARGET to offset their reduced staff, and the TARGET system is not going to be available to them within the foreseeable future. The end result is that the veterans and the families of veterans are the ones that suffer. To the best of my knowledge the Chicago Regional Office is still experiencing significant problems because of the "bugs" still in the TARGET system.

I wish to call your attention to another matter that concerns me. Perhaps I am using a cannon to kill a gnat by calling this to the attention of members of Congress, but when I see the frustration and hardship that some veterans suffer I feel I am justified. VA regulation 967(C) deals with overpayments of benefits to veterans. Sometimes these overpayments are made through no fault of the veteran and in many cases the veteran does not realize that he or she has been overpaid. VA regulations allow for a veteran to request a waiver of an overpayment. Because of the manner in which the VA processes overpayments and notifies veterans of overpayments, later benefits are withheld from the veteran and

applied towards satisfying the overpayment. I am familiar with cases when the first indication a veteran has that an overpayment has been established against him is when he does not receive his check. This is particularly devastating to older veterans on fixed incomes. The above mentioned regulation states, "Amounts which have been recovered by the U.S. Government prior to the date of receipt by the VA of a request for waiver, will not be refunded and will be excluded from waiver." If the VA finds justification to waive an overpayment, then I believe it should refund to the veteran any amount that has already been withheld and applied against the overpayment. This application of the regulation could be changed by an internal determination of the VA, but it has been unwilling or unable to do so. In the interest of equity to the veteran I feel you, as Representatives of Congress, should consider legislation that would direct the VA to refund amounts that have already been withheld in cases where the VA determines that a waiver should be granted.

The other service officers have already expressed their dismay and concern over the Improved Pension program. I can add little to what has already been said other than to assure you that the AMVETS share the concern of the other service organizations over this program. Changes by Congress in this program are definitely needed. ●

## THE WEATHER NEWS—OUR BEST FORECAST

## HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. MURTHA. Mr. Speaker, last Saturday I got up about 5 a.m. and had the pleasure of traveling to a very special place in the 12th Congressional District—Gobbler's Knob. There I went to see the only authentic groundhog weather forecaster—Punxsutawney Phil.

As many people know, I have announced my support for President Carter for reelection, but I think there is a strong tide in my district showing support for Punxsutawney Phil for President. In fact, I saw hundreds of signs promoting his candidacy. I do not know how well he would run outside of the area, but he is definitely making an impact in central Pennsylvania.

For the few who may have missed it, here is Phil's official 1980 forecast.

Hear Ye! Hear Ye! To all faithful followers assembled here on Gobbler's Knob, and to all believers around the world, I, Charles M. Erhard, Jr., President of the Punxsutawney Pennsylvania Groundhog Club, hereby proclaim that at this moment of 7:29 a.m., EST, His Imperial Majesty, King Philip, has emerged from his borrow. Judging from what I have observed from the Royal Woodchuck's behavior—and considering these ominous words that Phil whispered to me in Groundhog-ese, I must now proclaim this message from the King of all Weather Prognosticators. Punxsutawney Phil has decreed that there will, indeed, be six more weeks of winter. But beware! There will be some surprises in store before March 20! So that, folks, is the official word this morning from the Weather Capital of the World—Punxsu-

tawney, Pennsylvania—home of the only reliable weather forecasting Groundhog. ●

## THE 1981 BUDGET: THE BIG "IF"

## HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mrs. SCHROEDER. Mr. Speaker, what struck me the most while poring through the President's budget for fiscal year 1981 were the number of "ifs." The budget deficit will be \$15.8 billion if no supplemental defense budget is proposed. There will be no tax cut if the long-expected recession doesn't come. What would domestic budget levels be if this wasn't an election year?

The following article is a good overview of the budget from which to derive "ifs" of your own:

[From the New York Times, Feb. 3, 1980]

## THE BUDGET: NOT AS TIGHT AS IT LOOKS

(By Michael E. Levy)

The 1981 Federal budget confirms what most Americans have surmised for some time: the age of affluence is gone and hard times are ahead. The new budget assumes a mild recession in the first half of 1980 and a slow recovery in its last quarter, followed by gradual further improvements of real output throughout 1981. Unemployment is expected to rise rapidly later this year while inflation will decline slowly. Both are projected to remain high by the end of calendar 1981—7.3 percent and 8.6 percent, respectively.

In this troublesome economic setting, President Carter's 1981 budget promises large real increases for defense spending as a whole, and for all major defense programs, through fiscal 1985. Most nondefense programs are to be sustained at their current levels, adjusted for inflation, but some will be curtailed in real terms. Few new initiatives are proposed—all to be phased in slowly over several years—and national health insurance, a major past commitment, is delayed until fiscal 1983.

The new budget provides only modest antirecession support to the economy. It proposes to delay the timing of any tax cut to the 1982-85 period in order to reduce the 1981 budget deficit to \$15.8 billion (from this year's \$39.8 billion)—its lowest level since fiscal 1974. A sharp reduction in the budget deficit is viewed as a necessary commitment toward reducing inflation.

Such a reduction in the deficit, if achieved, is the result of massive tax increases, rather than of severe spending restraint. Hence, the Federal tax burden, measured as a percent of total output, would reach a new postwar peak of 21.7 percent in an election, and possibly a recession year.

## DEFENSE SPENDING

President Carter has given top budget priority to large real increases in national defense spending for fiscal 1981 and for years to come; current Congressional and popular sentiment provides strong support. Recent Congressional debates over the SALT II agreement with the Soviet Union raised serious questions concerning United States defense capabilities. Concern has been widespread in the wake of the Iranian hostage crisis and the Russian invasion of Afghanistan.

Eight years of steady curtailments reduced real defense spending in fiscal 1976 to about 65 percent of its Vietnam War peak. Measured as a percent of total output, national defense spending continued to decline from 9.5 percent in fiscal 1968 to 5.1 percent in fiscal 1979. This downtrend has now been reversed. In fiscal 1981, national defense outlays are scheduled to rise by \$15.8 billion to \$146.2 billion—a real increase of 3.3 percent. Further real increases of 4.3 percent and 4.4 percent are planned for fiscal 1982 and 1983, respectively.

Since military personnel on active duty is scheduled to rise only by 14,000, or sevenths of 1 percent, by the end of fiscal 1981, ample funding is available for sizable increases in all major defense functions, including procurement of ships, aircraft, weapons and delivery systems that have long lead times. During the early stages of a rapid defense buildup, expanding pipelines for such long-lead items are often strained, deliveries fall behind schedule, and obligatory authority—the leading edge of defense spending—far outpaces increases in outlays. Thus, spending bulges toward the end of the fiscal year and shortfalls of actual outlays below budgeted amounts would not be surprising.

Yet there are reasons for expecting future upward revisions in the 1981 defense budget. President Carter has proposed comprehensive military and civilian pay reform legislation. Comparability would be broadened to include pay as well as fringe benefits and compensation would be based on private-sector as well as state and local government pay.

The results of this reform have been built into the defense budget: average pay raises of only 7.4 percent for the military and 6.2 percent for civilian employees at a "saving" of \$1.7 billion, compared with the pay increases mandated under current law. (In the civilian agencies, these reforms reduce budgeted outlays by another \$1 billion.) These savings are contingent on passage of the pay-reform legislation by Congress which, in an election year, is uncertain at best.

Fuel costs are another potential source of upward revisions in the defense budget. At his press briefing, Defense Secretary Brown noted that "neither the fiscal year 1980 supplement nor the fiscal year 1981 budget provides for the most recent increases in fuel costs. These will be addressed separately as will other changes which prove necessary."

#### NONDEFENSE SPENDING

Budget outlays for fiscal 1981 are projected to rise by \$52.2 billion, or 9.3 percent, to \$615.8 billion. Since national defense absorbs fully 30 percent of this increase, total nondefense increases have to be limited to \$36.4 billion. Of this, over \$35 billion is mandated by law for the major "entitlement programs"—income security, medicare and medicaid. Income security includes such programs as Social Security, railroad retirement, unemployment compensation, food stamps and welfare.

Combined outlays for these programs will rise by \$29 billion under existing law, mainly because of the steadily increasing number of qualifying beneficiaries and the automatic cost-of-living increases provided for Social Security and related programs. Medicare and medicaid expenditures are scheduled to rise by \$6.2 billion because of the larger number of beneficiaries and higher health care costs. (President Carter's hospital cost containment program—it was proposed last year and is being resubmitted to Congress—would trim this figure by \$0.8 billion.)

Another \$2.4 billion is needed to meet higher net interest payments on the rising

Federal debt. Hence, all other nondefense programs would have to be held at their fiscal 1980 levels in current dollars (i.e., be reduced in real terms), if 1981 budget outlays are to be held to \$616 billion.

In reality, the 1981 budget is not quite as tight-fisted as seems to be implied by the figures. Federal budget accounting provides ways of funding programs without raising official budget outlays. For example, the 1981 budget outlays for energy include \$1.8 billion in revenues from government production and sale of oil from the Naval petroleum reserves in California and Wyoming.

According to Federal budget accounting, these revenues are not counted as regular budget receipts, even though they are deposited with the Treasury, but as "offsetting receipts," a form of "negative spending" or direct funding that permits expansion of other energy programs without raising total budget outlays.

Payments of rents and royalties on the outer continental shelf, another large "offsetting receipt," are projected to rise to \$6 billion in fiscal 1981, up by \$1.2 billion from the current year. Net sales of financial assets, mostly mortgages or mortgage-related, by such on-budget lending agencies as the Government National Mortgage Association (\$1.1 billion in fiscal 1981) and the Farmers Home Administration (\$3.3 billion) are also an offsetting source of funding that reduces recorded budget outlays.

The 1981 budget contains a much higher level of such outlay "offsets," and it relies much more on off-budget loan guarantees for program support, than this year's budget. Thus, the new budget sustains the real support levels of most nondefense programs despite the high inflation cost of the relative tightness (more apparent than real) of the \$616 billion outlay ceiling.

Moreover, the new budget proposes only a few new initiatives for the "human-resources programs," which cover income security; health; education, training, employment and social services, and veterans benefits. Even these do not increase total budget outlays—they are not add-ons but replacements of related programs that are considered less effective or of lower priority, and they are phased in gradually over future years.

The aim continues to be "better targeting" of human-resources programs in order to increase benefits for the poor, the handicapped and unemployed youth, while curtailing benefits for the less needy. Two major social initiatives that have been a part of President Carter's longer-term commitment are reaffirmed. National health insurance is scheduled to get under way in fiscal 1983 at an initial cost of \$24 billion, while welfare reform is to be initiated in fiscal 1981, provided Congress passes the necessary legislation.

#### BUDGET DEFICIT

Reducing the budget deficit has been an ongoing commitment of President Carter. His election pledges had included the promise to balance the budget by 1981.

A sharp reduction in the budget deficit from an estimated \$39.8 billion this year to \$15.8 billion in fiscal 1981 is now considered an essential part of the Administration's anti-inflation policy. This would make the 1981 deficit the lowest one since fiscal 1974. Moreover, the President and several top Government officials have stressed that, without a recession this year, the 1981 budget would be in surplus—further evidence of relative fiscal restraint. (A recession enlarges the deficit because it induces large countercyclical increases in unemployment compensation, food stamp benefits and other income-support programs, and it

erodes revenues from individual and corporate income taxes.)

This assessment is subject to a number of important qualifications. First, estimates of budget deficits 21 months into the future are always hazardous. They are subject to estimating errors, changes in economic performance and revisions in fiscal policy by the Administration and the Congress. Thus, two years ago, the initial 1979 budget projected a deficit of \$60.5 billion. The actual deficit was \$27.7 billion. Last year, the initial 1980 budget projected a deficit of \$29 billion which has just been raised to \$39.8 billion.

Second, in order to hold 1981 outlays to \$616 billion, the new budget proposes \$9.7 billion in reduction of ongoing programs. Most of these cuts would require Congressional legislation. They include savings from hospital cost containment and other medicare and medicaid reforms, \$1.6 billion, reform of school lunch and child nutrition programs, \$0.5 billion, reductions in school impact aid, \$0.3 billion) and several other programs that failed to gain Congressional approval last year. Also included are \$2.7 billion in "savings" from pay reform which will be difficult to pass in an election year.

Last but not least, if the sharp reduction in the 1981 deficit is achieved, it will be due to massive tax increases—not to tight spending restraint. Previously passed Social Security tax increases for 1980 and 1981 will add \$15 billion to fiscal 1981 receipts. Two large increases raise the taxable earnings base from \$22,900 in 1979 to \$29,700 in 1981, and the combined tax rate rises next January from 12.26 percent to 13.3 percent.

The proposed oil windfall profits tax adds another \$14 billion in fiscal 1981, and a speed-up tax collection, similar in its impact to a one-time, one-year tax increase, provides another \$4.5 billion. These 1981 tax increases account for \$33.5 billion, 44 percent of the projected \$76.2 billion revenue gain.

Add to this the levitating effect of inflation on personal income taxes—it pushes everyone into higher tax brackets even if there is no increase in real taxable income—and it is easy to understand why the Federal tax burden would reach an unprecedented postwar peak in fiscal 1981.

At \$600 billion, Federal budget receipts would be equal to 21.7 percent of the country's total output, up from 20.8 percent in fiscal 1980 and 20.1 percent in fiscal 1979. Throughout the postwar years, tax reductions were enacted well before the Federal tax burden reached 20 percent. Fiscal 1969 and 1970, the only exceptions with 20.8 and 20.2 percent, respectively, were followed by a large tax cut. Whether the Federal tax burden will reach an unprecedented new peak in an election year with a recession without triggering a tax cut remains to be seen. ●

#### IMPROVE OUR DOMESTIC AUTO INDUSTRY IN THE WORLD MARKET

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. BRODHEAD. Mr. Speaker, I want to call to the attention of my colleagues a New York Times article which discusses the need to improve the position of our domestic auto industry in the world market. I believe that it provides a concise discussion of important issues which will affect the country in the immediate future.

The article follows:

[From the New York Times, Aug. 20, 1979]

**CAR IND 4 SALE. ORIG OWN**

(By Terrence Bracy)

WASHINGTON.—Signs of gloom are all around the automobile industry.

Foreign cars now claim one-quarter of the once-chauvinistic American market. In May, a single month, Japanese auto imports grossed \$1 billion. Meanwhile, Ford's share of the market continued to slip, so that this proud company is no longer making money on its domestic operations. Chrysler is on the edge of despair, fighting to make payrolls and keep the wolf from the door. By the beginning of this month, Chrysler was petitioning the Government for outright financial assistance. American Motors is selling more Jeeps than cars. And during July, when General Motors, the healthiest, was laying off thousands of workers, The Wall Street Journal was advertising, ironically, a used Volkswagen diesel for "\$9,800 or the best offer."

What we face is not an auto-industry problem but a national economic crisis. Transportation experts agree that the automobile is here to stay—but it may not be an American make.

In fact, the huge synthetic-gasoline program under discussion could well end up fueling the sales of Toyotas, Datsuns and Volkswagens because foreign manufacturers are well ahead of Detroit's in the race to build the auto of the 1980's.

The automobile industry, counting suppliers, is the nation's largest private-sector employer. Like a mighty economic river, its tributaries touch every state, sustaining three million workers. If those tributaries dry up, the impacts on the East and Midwest will be enough to make even the free-market ideologue wince.

What is to be done? It is time to use the stick and carrot, in that order.

**THE STICK**

Deregulators notwithstanding, it is difficult to find an action that has as effectively saved energy as the imposition of fuel-economy standards on the auto industry. Since 1975, when Congress mandated improvements, the new auto fleet—while still lagging behind foreign cars—has progressed from 13 miles per gallon to nearly 20, heading for a target of 27.5 five years hence. These standards anticipated a marketplace that Detroit's planners failed to see, and are responsible for its salvation today. Those near-term standards ought to be accelerated as advocated by the former Transportation Secretary, Brock Adams. In addition, the Administration should draw on the powers Congress already has granted and set a new target of 50 miles per gallon by 1995.

**THE CARROT**

To meet the 50-miles-per-gallon goal, Detroit will need help in capital formation. (What is sacred about subsidizing synthetic-fuel plants that employ very few as against auto plants?) The accelerated shift to lighter-weight materials, better transmissions and more-efficient engines will add a \$50 billion burden to the auto industry that it cannot carry without Federal help.

A carefully designed package of industrial and consumer tax incentives would make this quick transition possible—saving at least one million jobs and two million barrels of oil per day by the mid-1980's. All this will be saved but something even more important will result—the financial and industrial base to market the revolutionary breakthrough in auto technology that we are awaiting. No one yet knows whether it will span an electric, hybrid or gas-turbine engine, or what. But we know we must have it and that it should not use oil from the

Organization of Petroleum Exporting Countries.

Inaction on the auto front, combined with a push to produce synthetic fuels, means that we are making national decisions to put America's energy in foreign cars, to favor foreign jobs over domestic ones, and to invest on a large scale in the South and West while ignoring the struggling cities of the East and Midwest.

Isn't it time we reconsider? ●

**WHAT WE SHOULD DO**

**HON. JONATHAN B. BINGHAM**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. BINGHAM. Mr. Speaker, Felix Rohatyn has been instrumental in helping New York City avert financial catastrophe. In last Wednesday's Washington Post he offered a program to strengthen this Nation by countering the dangerous economic and national security effects of our heavy dependence on imported oil. I commend this important article to my colleagues and other readers of the CONGRESSIONAL RECORD:

**WHAT WE SHOULD DO**

(By Felix G. Rohatyn)

The president's State of the Union message was less noteworthy for what it said—i.e., that we will draw the line at Soviet expansionism in the Persian Gulf—than for what it neglected to say. In many ways, what was not covered was more important. For instance:

(1) In 1980, our payments to OPEC for imported crude will be running at the rate of nearly \$100 billion per annum. This compares to about \$6 billion before the 1973 embargo. Over the next five years, the United States will pay out about \$500 billion dollars for a product it burns into the atmosphere every day.

The value of all companies listed on the New York Stock Exchange is approximately \$900 billion. The idea that over the next five years we would mortgage to OPEC half the productive capacity of this country, built up over 200 years, to pay for oil is obviously absurd. This situation is as dangerous to our system, and as unacceptable to our security, as would be a Soviet presence in Saudi Arabia.

(2) Domestic inflation and our economic posture are a basic factor in our international security posture. Our economy is the foundation upon which our security is built. This foundation is shaky. The United States cannot finance a rearmament program of the type envisaged by the administration by simply increasing its budget deficit. The United States cannot hope to convince OPEC to hold on to its dollars if we continue to give in to runaway inflation that has two main components: energy consumption and government spending.

The United States is not a credible partner, economically or militarily, unless it takes concrete action to reduce drastically energy consumption and to strengthen its currency. Coming off the high end of a business cycle with a \$40 billion deficit is not reassuring.

(3) There are only two ways to reduce domestic energy consumption both drastically and soon: gasoline rationing or increasing the price of gas with a substantial tax. Ultimately, both may be needed. With the additional financing requirements for defense, a gas tax seems to be the most logical answer.

Of all the presidential candidates, only Rep. John Anderson has had the courage to advocate what many see as only common sense. A 50-cent-per-gallon gas tax would raise approximately \$55 billion per annum, could reduce consumption by about 10 percent and is an absolute minimum. A \$1-per-gallon tax, phased in over three years, would be more appropriate. In Europe, gasoline taxes amount to \$1.50 to \$2 per gallon, with a per-gallon price at the pump of \$2.50 to \$2.70. Europe's per-capita consumption is 40 percent that of the United States' not only because people drive less but because long ago they switched to small, fuel-efficient automobiles.

The proceeds of the gas tax should be used partly to fund increases in defense spending, partly to lower taxes on business in order to increase capital investment and productivity and partly to help lower-income groups by financing mass transit and lowering Social Security taxes.

(4) A significant gas tax would do more to strengthen the dollar and give OPEC long-term confidence in our currency than any other single economic action available to us. It should set the stage for a dialogue with OPEC aimed at changing our payments for oil from freely convertible dollars to long-term bonds guaranteed by the U.S. government. The proceeds of these bonds could be used only to purchase American commodities or manufactured goods over a period of years as the bonds mature.

As an inducement to such an arrangement, we should be willing to commit part or even all of our current gold reserves. At current market prices, the United States has approximately \$250 billion worth of gold; sitting on a mountain of gold will do us no good if our economy collapses. We should be willing to commit the only commodity we have that has risen in value as much as oil as part-payment for oil, if OPEC will accept long-term bonds, with limited convertibility, for the balance.

If such an arrangement were negotiated with one or two members of OPEC, such as Saudi Arabia and Kuwait, others might follow later. The producers must understand that we will be driven to much harsher choices if the bankruptcy of our society is the only alternative.

(5) Our commitment to protect the oil resources of the Middle East benefits Europe and Japan at least as much as it benefits us. They should, therefore, pay their fair share. As part of the mutual security arrangements with Egypt, Israel, Saudi Arabia and Jordan, any American troops stationed there should be evenly matched by European forces financed by Europe and Japan.

The U.S. nuclear umbrella must stay over Europe, but the free ride on the ground must stop.

(6) Committing large sums for training young blacks, Puerto Ricans and Chicanos is meaningful only if jobs are available to them once they are trained. This is not the case. We have accepted the notion that we are a service economy instead of a manufacturing economy. This is highly questionable.

We need a balanced economy, both services and manufacturing—with the emphasis, however, on manufacturing. This is the best way to provide employment opportunities to the minorities and the underprivileged. Such a policy may require certain limitations on free trade, which can be a price worth paying. Free trade, in any case, is something we practice while others only preach it.

(7) The economic forces being generated in the United States will increasingly divide the country between haves and have-nots. The region where most of our oil and gas are produced will now be the recipient of most of our defense contracts. In addition to

the severance taxes consumed by the oil-producing states to the consuming states, there will be the drain of tax dollars to Georgia, Texas and California for defense. Half this country—the half where the sun shines—will produce oil and guns; the other half—the urban areas of the Northeast and Midwest—will produce unemployment and slums.

The windfall profits tax could not be applied to the oil-producing states themselves because of congressional resistance. At a minimum, a certain proportion of defense contracts as well as subcontracts of the syn-fuel programs should be mandated to the urban, impacted areas of the Northeast and Midwest. If we are to survive as a Union of states, then there has to be a balance as to burdens and benefits.

(8) This country faces major challenges in the coming decade without a foundation of consistent domestic or foreign policy for a base. Double-digit inflation is not abating, nor is a meaningful reduction of energy consumption taking place. The wage-price guidelines are as irrelevant to wages and prices as the windfall profits tax is irrelevant to production and consumption of energy.

Wage and price controls are not a long-term solution, but a 6-to-12-month wage-price freeze should be considered to provide a relatively stable pause during which the administration and Congress can debate and arrive at a sensible, interrelated set of policies for the 1980s.

Policy is a fabric, a tapestry in which all strands are interwoven, linked to each other, clearly describing a basic posture and direction. We have no such tapestry. The State of the Union message concentrated on what might happen but is not likely to—i.e., Soviet expansion into the Middle East oil fields. It ignored that which is inevitable but which we have no answers for—i.e., reducing energy consumption and paying for what we use, reducing inflation and paying for defense, protecting the dollar and giving a future to the young black, keeping this Union viable and united.

Those are some of the inevitables we face, and those are only a few. What is certain is that we are living at the end of an era: the era of Keynesian economics, growth with limited inflation, cheap and plentiful energy, U.S. economic domination of the Western world. If we are to be in control of our destiny as a viable democracy in a state of transition, it cannot be done with business as usual at home.

The American voter is usually far ahead of his leaders. He is entitled every four years to his most precious right: namely, to ask those who propose to lead just what it is they propose to do. The answers, so far, both by Republicans and Democrats, have not been inspiring. ●

#### AFGHANISTAN: WHERE U.S. MARXISTS STAND

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. McDONALD. Mr. Speaker, the Soviet invasion of Afghanistan has been accompanied by the applause of most U.S. Marxist and Marxist-Leninist organizations. Even the Trotskyite Communist parties such as the Socialist Workers Party—SWP—have commended the military invasion as a progressive step. But some of the more thoughtful U.S. Marxists, some who

still retain a shred of conscience, are having a difficult time reconciling themselves to the inundation of Red Army troops to put down a popular mass rebellion involving some 90 percent of the people of that country.

These U.S. leftists may agree that socialism or communism is what they would prefer to see in Afghanistan, but they think the people should somehow be ready for it and cooperate in its imposition. For these waverers, who find no pretense of even a Communist-dominated popular front in support of a Marxist revolution as in Cuba or Vietnam or Nicaragua, the Institute for Policy Studies and its Transnational Institute have provided the solution: Shut up and make an accommodation since the Soviets will never withdraw.

The connections of the Institution for Policy Studies/Transnational Institute with the Soviet KGB and with the Cuban regime have been well documented. As analysts on both sides of the Atlantic have observed, IPS/TNI serves as a source of proposals, lines, and suggestions that if offered directly by the KGB or an official Soviet propaganda source would be immediately dismissed by free world liberals.

The following survey and analysis of the U.S.-left reaction to the Afghanistan invasion by the U.S.S.R. appeared in the Information Digest, published by John Rees.

The article follows:

#### AFGHANISTAN SPLITS U.S. LEFT

The massive invasion of Afghanistan by over 80,000 Soviet troops at the end of December has caused shock waves among the members of the U.S. left. In general, those parties and groups that were able to swallow the Soviet invasion of Czechoslovakia in 1968 and accept the effort to crush the previously Soviet-supported Marxist Eritrean guerrillas in Ethiopia have had little difficulty in backing the Red Army's invasion of Afghanistan.

The Communist Party, U.S.A. (CPUSA) has endeavored to faithfully follow the shifts and twists of the Kremlin's attitude toward the various Marxist-Leninist regimes in Kabul. On 12/28/79, a banner headline asserted, "Soviets Call Afghan Intervention a Lie." However the text of the article was a report on an Oil, Chemical and Atomic Workers strike. In the same issue, a page 5 article by Tom Foley, the Daily World's foreign affairs writer, asserted that the "Afghan revolutionary government has been consolidating the gains it has made since April 17, 1978, when the People's Democratic Party of Afghanistan came into power." The article went on to quote President Hafizollah Amin on economic benefits of the takeover by his Marxist-Leninist party and his statement that "the Afghan people are keeping a watchful eye over the U.S. naval buildup in the Indian Ocean and Persian Gulf."

The next day, 12/29/79, The Daily World headlined "New Afghan Government Formed." The article blandly noted that "The former Afghan leader, Hafizollah Amin, was found guilty of crimes against the Afghan people and was executed by sentence of the revolutionary court."

The Communist Labor Party (CLP), a small pro-Soviet splinter group, also took the line that "The Soviet Union went into

Afghanistan in order to stop the increasing activities of CIA gangs."

Maoist and Peking-line parties strongly condemned "Soviet social-imperialism." The Communist Party, Marxist-Leninist (CPML) in its paper, The Call, termed the invasion "a blitzkrieg of . . . massive proportions." The Call attacked the White House response as "mild" and one of "deciding which Soviet Wrist to slap." Another Peking-line group closely allied with the CPML, the League of Revolutionary Struggle (LRS), attacked the "flagrant" invasion as "part of their preparations for world war."

Maoist, Albanian-line parties attacked the U.S. and USSR almost equally. The Revolutionary Communist Party (RCP) declared the Soviet Afghan invasion "imperialist," but said the U.S. "is an equally vicious wolf in the moves toward world war."

Trotskyist communist groups in general have maintained their semi-suicidal tradition of uncritical support of the Soviet Union in all confrontations with non-communists.

In a front-page editorial, the SWP newspaper, The Militant [1/18/80] said the "dirty and murderous" Afghan "right-wing guerrillas." Said the SWP:

"With this powerful array of international forces ranged against the revolution, the Afghan government turned to the Soviet Union for aid. Money and advisers were provided. When it looked like the imperialist-backed forces might pull off a bloody Chile-style counterrevolution right on its southern border, Soviet troops came in.

"So the issue is not Soviet intervention, but a growing U.S. intervention—aimed at taking back the gains won by the Afghan masses—that finally forced the Soviet government to respond."

The Trotskyist Workers World Party (WWP) characterized the invasion as a "necessity" that "can be justified only on the basis of the grim alternative which would fall on the beleaguered people of Afghanistan should the counterrevolutionary forces be permitted to triumph." And as for the Spartacist League (SL), a front-page article in Workers Vanguard [1/11/80] headlined "Hail Red Army!" and commenced, "The effective deployment of thousands of Soviet troops in Afghanistan is one more stinging humiliation for American imperialism in the Near East."

A number of other Trotskyist splinter groups including the Workers League (WL) and Revolutionary Socialist League (RSL) were critical, with the RSL's Torch [Jan. 15 to Feb. 14, 1980] stating, "The Russian ruling class has launched an imperialist invasion."

As for the Institute for Policy (IPS) and its newspaper, In These Times [Jan. 16-22, 1980], they take the line that the USSR has sadly been forced to take such an unpopular action by their humanitarian concerns for the success of the reforms of the People's Democratic Party of Afghanistan.

Fred Halliday, a London-based fellow of the Transnational Institute (TNI), IPS's foreign affairs project, and a long-time contributing editor to the Middle East Research and Information Project (MERIP) which supports every Soviet-backed revolutionary and terrorist group in the Middle East from the Palestine Liberation Organization (PLO) to the POLISARIO, blames the Soviet invasion on Saudi Arabia and Pakistan. Writes Halliday, the Soviet Union was forced in by the strength of the internal reaction and by the alleged assistance provided to the anti-communist guerrillas by Pakistan and Saudi Arabia.

Since Halliday's article [to be expanded for the next issue of New Left Review] is a well-constructed piece of disinformation and

propaganda, a closer examination of its contents is warranted:

"... in the 20 months since the People's Democratic Party of Afghanistan had come to power in a revolutionary coup of April 1978, much of the countryside—where 87 percent of Afghanistan's population live—had risen in revolt. Afghanistan is an extremely conservative country and the PDPA had alienated even those who might stand to benefit most from it—the rural poor—by pushing through reforms without proper preparation. This applied to such measures as the equalization of nationalities, and the virtual abolition of the bride price, but above all to the land reform decree of December 1978.

"But even if these reforms were bureaucratically and at times coercively imposed, few can doubt that they were changes long overdue in Afghanistan. . . . The underlying cause of the resistance was the fact that these reforms threatened entrenched social interests: those of tribal chiefs and landowners, those of village elders whose arrangement of marriages was an important source of social power, and those of all the rural population who lived off smuggling to Pakistan and resented any form of government control. . . .

"This counter-revolutionary tendency could not have gained such a widespread hold on the country had it not received substantial support from abroad. The refugees who moved over to Pakistan, many as part of an annual migration pattern, were given money and shelter by the government there, and allowed to set up military camps from which to operate. . . . other opponents of the Afghan government supplied aid to the rebels. Saudi Arabia, Iran and Kuwait provided financial aid, and China—a long term military ally of Pakistan's—provided arms to the guerrillas as well as sending instructors to Afghan rebel bases at Miranshah and Chitral on the Pakistan border. . . .

"There is then considerable support for the thesis that the rebellion was sustained from outside and that without this support it would never have posed the threat to the PDPA that prompted Russian intervention. Had the Pakistanis disarmed the refugees and sealed the frontier—the normal procedure for a state in such a situation—then there would not be Russian forces in Afghanistan today."

The internal contradictions of IPS/TNI's Halliday regarding his admission that virtually 87 percent of the Afghani people had risen in revolt against so-called "reforms" that were coercively imposed, that the presence of large numbers of Afghans in Pakistan is partly due to a normal annual migration pattern, and his claim that these 87 percent of the Afghani people are merely "entrenched social interests" or "smugglers" are obvious.

And what response is appropriate? Halliday's implied solution could be summarized as "scratch and get glad." He writes:

"The Russians have paid a high price for their intervention. They will have to remain in Afghanistan for quite some time before the regime is firmly enough established, and the cost in lives and money will be considerable. . . . the intervention in Afghanistan is neither a reckless venture nor one from which the Russian leaders will quickly retreat under pressure.

"The demonic picture of Russian policy now current in Washington as a result of the intervention in Afghanistan is therefore an unfounded one. The Russians may have had the misfortune to intervene in a U.S. election year, but neither the all-informed (sic) hysteria this has generated, nor the

force of Islamic counter-revolution in Afghanistan itself, appear likely to force them off the course they have chosen."

Other U.S. leftists who normally collaborate with Soviet-initiated disarmament initiatives and who were active in the anti-Vietnam movement have circulated a call for immediate withdrawal of Soviet troops from Afghanistan. They state the invasion "presents a new threat to world peace and will speed up the already insane arms race with diversion of more and more of the world's resources from human need to the war machines."

Signers of this call include Don Rose, Citizens Party; Sidney Lens, Mobilization for Survival (MFS); Shirley Lens, chair, Women for Peace; Paul Booth, AFSCME staff; Dr. Quentin Young, Cook County Hospital; Ed Sadlowski, assistant director, USWA District 31; lawyer Richard M. Gutman; John Rossen; Jane Kennedy and other Chicago area activists.

Groups of Afghans resident in the United States, mostly students, have held demonstrations and vigils outside the United Nations in New York and near the Afghanistan Embassy in Washington. There are an estimated 2,000 Afghans living in the U.S., and nearly all of the 300 who live in the Washington area turned out for a January 4, 1980, protest near the Soviet Embassy.

Many Afghans in New York and Washington have expressed fear of being followed and harassed by Soviet intelligence agents assigned to the very large staffs of the Embassy and U.N. mission. They also are afraid of being infiltrated by Iranian agents and supporters of Ayatollah Khomeini who would try to take advantage of the substantial Persian-speaking minority in Afghanistan to increase the anti-American sentiments in the resistance movement.

Meanwhile groups that have previously supported Soviet "peace" initiatives such as the Women's International League for Peace and Freedom (WILPF) and Women Strike for Peace (WSP), are trying to forestall any U.S. Persian Gulf military buildup. The old Coalition for Peace in the Middle East in which WILPF and WSP played leading roles, already has been transformed into the Coalition for Peace in Iran and Afghanistan to meet the new "burning issue."●

#### TRIBUTE TO "MOTHER HEN"

### HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HUGHES. Mr. Speaker, I would like to take a moment to express my deep sorrow over the passing of Mrs. Blanche Scott of Margate, N.J., on November 19, 1979. Mrs. Scott, affectionately known to her friends as "Mother Hen," provided valuable assistance to the sports fishermen of South Jersey by steering them safely through rough seas during inclement weather and guiding them to prime fishing waters over her citizens band radio.

For many years, Mrs. Scott managed her marine radio station from Scott's Dock, a marina owned and operated by Blanche and her husband, Ray in Margate. Originally just a hobby, her volunteer radio communication service soon offered full-time assistance to boaters and fishermen whose CB radios lacked access to the information available on VHF channels.

Each year from March through November, "Mother Hen" provided boaters with needed weather and fishing reports and responded to calls for assistance. On numerous occasions, Mrs. Scott gave those in trouble life-saving aid, serving as liaison between the Coast Guard and boats in distress, and contacting doctors during medical emergencies. She also served as a clearing point for the transmission of vital messages from ship to shore.

Blanche's dedication and commitment to the fishermen of South Jersey was equally matched by her pleasant manner and special sense of humor. She was a loving and devoted wife and mother, and will be sadly missed by her countless friends. New Jersey will long remember Mrs. Scott for her valuable service to the maritime community and for her unselfish devotion to those in need.●

#### KHOMEINI, MOSCOW, AND RUMORS OF WAR: WILL THE IRRATIONAL ENGULF US?

### HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. BINGHAM. Mr. Speaker, on January 20, 1980, Dr. Matthew Ies Spetter, leader of the Riverdale-Yonkers Society for Ethical Culture, gave a stimulating and thoughtful address on the subject: "Khomeini, Moscow, and Rumors of War: Will the Irrational Engulf Us?"

I commend to my colleagues and others the following outstanding excerpts:

EXCERPTS FROM DR. MATTHEW IES SPETTER'S ADDRESS

#### MAJOR CHANGES

I see five major areas of change which need comprehension if ever we are to get beyond the era of the balance of terror.

1. We are in a time of a truly demonic spiral of nuclear weapons. Almost each year a weapons system becomes obsolete, because the USSR has found a counterweapon. Security based upon weapons is once and for all finished. A new norm of global security must be developed. SALT II was just a first step.

2. We are facing a proliferation of nation states, even though old-fashioned sovereignty is untenable. Those states emerge amidst fierce collectivist or religio-political nationalism. This means the end of power politics. As the so-called "nuclear club" grows giving even the tiniest nation incredible power, we need ideas for a pluralistic world, not one of power blocs.

3. With the immense population growth everywhere we now confront the fact that about fifty million people starve to death each year.

4. From this fact emerge ideologies which are neither Marxist nor capitalist—a new war of ideas is upon us. For about three hundred years the West could count upon the wealth of colonies. That day is past. Oil should teach us our vulnerability and dependence.

5. We live in common deadly peril. Internal stresses such as between the two dictatorships, China and the USSR, face us with a new kind of political warfare that can

easily boil over into military confrontation. The old ideologies have lost their hold, new symbols for world order are more urgently needed than who makes a "killing" gambling on the stock or gold markets.

#### THE SOVIET MOTIVES

Crucial is the question: is the Soviet Union following a plan for world domination, is Afghanistan just a stepping-stone? If so, how can the West respond effectively? The Soviet sphere of influence has grown from Vietnam, to Cambodia, to Afghanistan, to South Ymen and, with the help of the Cubans, to Ethiopia. Will the road to Paris and London, as Lenin said, lead via Asia? Many think so. President Carter has ordered a halt to all negotiations with the Russians on military matters. SALT II has been put on ice.

Mr. Brezhnev says "nothing of the sort." "It was no simple decision for us to send Soviet military contingents to Afghanistan," he said. He denied that he was aiming for Pakistan or Iran or for the Western oil resources. He was invited to come into Afghanistan by Mr. Amin—the former ruler—then came in and promptly executed Mr. Amin and his family. All this—Brezhnev said—"because Afghanistan had become a seat of serious danger to the security of the Soviet state."

In what way did the USSR feel threatened? Was it fear that the fanatic fervor of nationalistic Islam would infect Soviet Moslems as well? Had they written Mr. Carter off as a "lame-duck" President anyway and felt that in the political vacuum, until elections in the USA, they could increase their positions of power? (Under John Foster Dulles of course, we built our so-called "positions of strength" around the Soviet Union, from Korea to Norway.)

But why, then, wholesale military occupation of a basically powerless nation? Was Russia's leadership still caught in ancient political molds which are without relevance in the ICBM era? Were they motivated by their own propaganda?

Now Mr. Brezhnev knew of course that the world would not swallow this version. Why then the decision to act militarily, which transformed an already pro-Russian regime into an occupied territory? I think one has to go back to what is known as the Brezhnev Doctrine. It asserts that Russia has the duty to assist any communist state which faces upheaval. There needs to be the pro-forma "invitation" of course, as in Hungary and Czechoslovakia. In Afghanistan, however, the airlift of troops started a full two days before the initiation! The Russians do not deny it.

Here one must ask what larger Russian aim is at stake, since they obviously were killing our notion of detente. There is a divergence of meaning here. To the USSR detente meant reducing the danger of nuclear war. We looked upon it as an instrument for a changed Soviet-West relationship. The Russians explicitly rejected that interpretation. What they called "national liberation struggles" would get Soviet armed support. Thus they did not inform the USA when the Arabs launched the Yom Kippur war in 1973 with vast Russian military aid; thus they intervened in Angola and helped Vietnam invade Cambodia. By taking Afghanistan they could both confront China, which borders on it; and get even closer to the oil of the Persian Gulf. Afghanistan is not all that important, nor are its eighteen million largely illiterate, poverty-stricken people.

Was Russia performing the opening move in the chess game that will, before too long, topple other feudal monarchies of the Persian Gulf, especially Saudi Arabia? Within the communist ideology that would be rational.

Have you ever tried to argue with a convinced communist about the Soviet Union? You may be arguing, but he is in possession of a true faith. You may objectively seek some position but the communist knows the truth, he knows where history is going. His loyalty is not to such a quest, but to something he considers a higher goal. He may betray you for that higher purpose and yet feel morally superior. Brezhnev may lie, but in the communist rationale that is not a lie, but a tactic to achieve "socialist" progress. So with the military strategy of the USSR, I am afraid. It is based upon a rockbottom faith of serving world history. Ultimately at all cost. That is what we are up against.

Martin Buber wrote a splendid essay on this very issue. He called it "Against the Generation of the Lie." Obviously not only the USSR is guilty of using the lie. Buber said that the prevalence of lying in today's world is removing the basis of life. It is a way of controlling others by an even greater lie, which then becomes the delusion of collectivities. It becomes a means of justifying power over others; of oppression; of maintaining superiority. When an individual man or woman lies, he sooner or later has to come to terms with reality anyway. The lie will boomerang. Without a return to truth there is no partnership and without that we cannot live.

But collectivities and nations may even seek that isolation which the big lie creates. It reinforces even further the feeling that they stand alone against the world. Thus the duplicity is no longer just words but becomes social reality based upon illusion.

WAR AND PEACE HAVE BECOME MORE THAN A POLITICAL ISSUE, IT IS NOW THE ONE CENTRAL MORAL ISSUE OF HUMANKIND

There is no road to victory in a world conflagration, because war has become total and therefore mad, absurd. Violence is no substitute for the real socio-economic needs of the world, the struggle against hunger, disease and ignorance.

War, in the end, is the default, the bankruptcy of the leadership. It has become a deception of the impotent.

Far more important to America's future is to extend ourselves into Asia and Africa and Latin America and have the nations there understand what they can expect of us to build up their standard of living, to fertilize their fields, to rid themselves of abject poverty.

We need not sit back and wait till the next country in South America explodes in violence. We need not fear Castro's agitation if at last we address the social and economic misery at our doorstep with out productive means and identify with the people's needs.

All-pervading irrationality and nationalism are obstructing today's view of a better world. But only when we break out of the mythology and tribalism will there be a secure future in the nuclear age—the safety namely of a human community in which we will be free of the terror of nuclear arms, a human community in which we need not fear that our children and grandchildren will be threatened by annihilation but will instead be able to build the satisfactions of their human fulfillment in a sane order. That is the root that must nourish us, that is the loyalty that must bind us and these are roots and loyalties far stronger and far more important than the abstractions of nations and power blocs. We may not give up on that vision.●

#### THE NATION'S CAPITAL HONORS PEACHES AND HERB

#### HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA  
IN THE HOUSE OF REPRESENTATIVES  
Tuesday, February 5, 1980

● Mr. FAUNTROY. Mr. Speaker, it gives me a great deal of personal pleasure to join with the Mayor of the District of Columbia, the Honorable Marion S. Barry, Jr., in saluting two of the most talented individuals and residents of our Nation's Capital—Linda Greene and Herb Fame. Together they are known as nationally and internationally famous entertainers under the name of Peaches and Herb.

They have taken the message of America throughout the world and were the first black American group to perform in the People's Republic of China. They have achieved outstanding success and the recognition which the people of Washington accords them is well deserved as they are honored for their contributions to our Nation and to the city which they call home.

#### PEACHES & HERB DAY—A PROCLAMATION

Whereas, Peaches & Herb, nationally and internationally known entertainers, are residents of our metropolitan Washington area; and

Whereas, Peaches & Herb are the first Black American group to perform on Mainland China, the People's Republic of China; and

Whereas, Peaches & Herb have achieved outstanding success in the record industry, having now sold over 3 million record albums in the past year, and were nominated by the top three music trade publications as "Top Duo" for 1979 and nominated for a Grammy Award; and

Whereas, it is fitting that we should set aside a time to honor them for their achievements and cultural contributions to our city and nation:

Now, therefore, I, the Major of the District of Columbia, do hereby proclaim Friday, February 1, 1980, as "Peaches & Herb Day" in Washington, D.C., and call upon all of our residents to join with me in honoring Peaches & Herb in grateful acknowledgement of the exceptionally outstanding cultural contributions which they make to the life of our city and nation.●

#### A NEED FOR A NATIONAL STEEL POLICY

#### HON. EUGENE V. ATKINSON

OF PENNSYLVANIA  
IN THE HOUSE OF REPRESENTATIVES  
Tuesday, February 5, 1980

● Mr. ATKINSON. Mr. Speaker, in a continuing effort to draw attention to the great need for a national steel policy, I would like to reprint a section of a publication, "Steel at the Crossroads," published by the American Iron & Steel Institute. This publication is an informative work of great scholarship. The AISI is to be commended for their hard work and for their considerable expertise. I refer to a chapter which is devoted to the need for radical improvements in capital re-

covery tax laws for the steel industry. This part of the publication, which I urge everyone to read in full, refers to the Capital Cost Recovery Act. The Capital Cost Recovery Act would help provide the needed capital that is essential to the revitalization of the steel industry. It also refers, in part, the burden placed on an already straining industry by federally required pollution control expenditures. I have cosponsored the Capital Cost Recovery Act and I have sponsored H.R. 5394 which allows for rapid depreciation of federally required expenditures. While I favor enactment of the general capital cost recovery legislation, I even more strongly urge that the Government provide tax relief for the burdensome environmental requirements which we have placed on one of our most vital industries at a time when that industry can least accommodate them.

I insert in the RECORD, at this point:

**VII.—THE STEEL INDUSTRY REQUIRES HIGHER RATES OF RETURN AND MORE RAPID CAPITAL RECOVERY TO MEET CAPITAL REQUIREMENTS OF \$7 BILLION PER YEAR**

**A. COMPONENTS OF CAPITAL AVAILABILITY**

The funds available to any firm to meet its capital requirements come from three principal sources: (1) capital recovery (depreciation); (2) reinvested earnings (net income less dividends); and (3) issuance of debt and/or equity. In the case of the steel industry, these funds are necessary for replacement, expansion, environmental, and non-steel capital expenditures plus debt retirement and increases in working capital.

In the final analysis, capital outlays and capital availability must be in balance, with the amount of capital available determining the extent to which capital requirements are met.

One way to view the balancing of capital needs and sources is to match each type of capital requirement and each component of capital availability. For example, capital recovery should balance capital expenditures for modernization and replacement, since capital recovery is intended to replace worn-out facilities. Reinvested earnings and issuance of debt and equity are used for debt repayment, working capital increases, and the expansion of the enterprise.

The relationships described above do not provide any funds for environmental retrofitting of existing facilities. Normally, environmental expenditures are included in modernization and thus financed with capital recovery. However, retrofitting of existing facilities to meet new environmental or other standards was not envisioned at the time of original construction and funds from capital recovery are not adequate to offset these retrofitting costs. Accordingly, it is difficult to imagine how these imposed and non-economic requirements could be met without foregoing other capital needs, unless added revenues are provided through price increases.

**B. PAST BALANCE OF CAPITAL REQUIREMENTS AND CAPITAL AVAILABILITY IN THE AMERICAN STEEL INDUSTRY**

Since 1969, capital expenditures, in constant dollars, by the American steel industry have been very low, averaging approximately \$2.9 billion per year (in 1978 \$). Of this amount, only \$2.1 billion per year was spent for replacement of steel-producing facilities. This compares with \$4.4 billion per year (in 1978 \$) needed for steel equipment replacement, and total capital spend-

ing needs of \$6.5 billion per year during the next decade.

Inadequate funds have severely constrained the steel industry's ability to meet its capital requirements. The two major problems have been inadequate rates of return and tax laws that impede capital recovery. A sizeable increase in the industry's debt/equity ratio—from 35 percent in 1969 to 42 percent in 1978—has been required to supplement retained earnings and funds available from capital recovery merely to accomplish the relatively low level of spending that has occurred. Since there has been essentially no net expansion over the past 10 years, the use of reinvested earnings and debt to finance capital expenditures for replacement demonstrates that capital recovery has been insufficient for its intended purpose.

Capital recovery has not been sufficient for the following reasons: Rates of capital recovery are too slow under current tax laws; capital recovery based on historical costs is inadequate to fully cover replacement at today's inflated costs; and capital recovery funds have been diverted to meet imposed environmental standards rather than used for their intended purpose.

**C. HOW CURRENT TAX LAWS HAVE IMPACTED CAPITAL AVAILABILITY IN THE AMERICAN STEEL INDUSTRY**

**1. Capital cost recovery**

Capital recovery is very slow for the steel industry under current U.S. law. This slow recovery presents a major problem in any attempt to embark on an accelerated capital expenditure program because enormous cash shortfalls occur in early years. These shortfalls can be recouped, but at a much later time.

This long time frame has even more profound implications in an inflationary economy. Since capital recovery is based on historical costs, only part of the cost of replacing worn-out facilities is recovered. Over the past ten years, plant and equipment costs have almost doubled.<sup>1</sup> Thus, if \$100 were spent in 1968 to buy two pieces of identical equipment, by 1978 the capital recovery from the original \$100 expenditure would only allow replacement of one of them.

As shown in Table VII-1, steel industry assets have one of the longest guideline depreciable lives of any American industry. Products that compete directly with steel (wood, plastics, rubber products, aluminum, and copper) all have shorter tax lives.

TABLE VII-1.—STEEL HAS ONE OF THE LONGEST CAPITAL COST RECOVERY PERIODS

Assets used in the manufacture of	Guideline-lives—years <sup>1</sup>
Electronic equipment.....	8.0
Chemicals.....	9.5
Textiles, yarns, fabrics (average).....	9.0
Wood products.....	10.0
Plastics.....	12.0
Electrical equipment.....	12.0
Motor vehicles.....	12.0
Fabricated metal products.....	12.0
Aluminum and copper.....	14.0
Rubber products.....	14.5
Steel.....	15.0
Cement.....	20.0
Average for all manufacturing industries.....	12.0

<sup>1</sup>Actual tax depreciation lives could vary plus or minus 20 percent. Source: U.S. Department of the Treasury, Internal Revenue Service.

The basic problem has been an overemphasis in the U.S. on the physical life of facilities and, as a result, U.S. tax rules have been formulated based on the concept of "useful life". Since the Congress has viewed steel industry facilities as having long

<sup>1</sup>Chemical Engineering Plant Cost Index, May 8, 1978.

"useful lives", the American steel industry has been burdened with low capital recovery allowances. Most nations, however, have not employed "useful life" or physical concepts but rather have used rapid capital recovery as an economic tool to promote accelerated capital formation and increased productivity. For example, in some countries, capital expenditures are treated as any other expenditures and can be deducted in the year incurred. In France, Italy, and Sweden, capital recovery allowances in the first 3 years exceed 75 percent of capital expenditures (as compared to less than 57 percent in the U.S.). In Canada, full capital recovery is permitted in approximately 2½ years, compared with over 10 years in the U.S. Various estimates indicate that this more rapid capital recovery in Canada would lead to a return on investment at least a third higher for a plant built on the north shore of Lake Erie as compared to one built on the south shore in the U.S. (50 miles away). This in part explains why The Steel Company of Canada, Ltd., has a fully integrated plant under construction on the north shore of Lake Erie at Nanticoke, Ontario, while U.S. Steel Corporation cannot justify expenditures for a similar plant on the south shore. Such comparisons dramatize the importance of rapid capital recovery if the American industry is to compete on equal terms with foreign rivals.

**2. Investment tax credit**

Funds provided by the investment tax credit contribute to the capital available to the American steel industry for investment in productive facilities. The credit also partially offsets the inflationary effects of deferred recovery of capital investment. The credit, obviously, is of greatest benefit to capital-intensive industries such as steel, where the need for investment capital is largest.

The investment tax credit should be made fully available as expenditures are incurred and should apply to all property, rather than just property having a normal construction period of two years or more. Further, the annual limitation on the utilization of the credit (which is presently scheduled to increase to 90 percent in 1982) should be eliminated completely, and the credit should be fully available to offset all tax liability including the minimum tax. The impact of this structural change on tax revenues would be minimal. However, there would be a maximum utilization of the benefit in years when capital expenditures are at the highest levels and funds are most needed.

**3. U.S. corporate tax rates**

High corporate tax rates constrain enterprise expansion by reducing net income and reinvested earnings. Further, in current circumstances, where capital recovery is not sufficiently rapid and companies are often forced to use reinvested earnings as a supplement to maintain plant and equipment, high corporate tax rates impose severe penalties.

Most other countries have much lower corporate tax rates than the U.S.A. As estimated by the Canadian Department of Finance, effective corporate tax rates on manufacturers' book profits are 10 percentage points lower in Canada than in the U.S. for representative states and provinces. (For example, the effective income tax rate for all manufacturing in Ohio, including both state and federal tax, was estimated at 41.3 percent. This rate compares with 31.9 percent in the province of Ontario.)

One special feature of U.S. tax law that unfairly reduces internal cash generation is the minimum tax on items of tax preference. Designed to ensure the payment of at least some taxes on income, the minimum

tax was intended to remedy abuses that clearly were not of corporate origin. Too often the relationship between tax preference items and a company's ordinary tax liability generates an unexpected minimum tax liability. This occurs when net income levels are depressed while tax preference items remain at or near normal levels. This was not the intention of Congress and there is no justification for the continued application of the minimum tax to corporations. The law should be repealed or amended to remedy this mis-application.

#### 4. Depletion

The percentage depletion allowance for minerals has provided an effective economic benefit to the extractive industries. It should be retained at least at current levels. Furthermore, the effectiveness of this provision should not be impaired by the minimum tax, particularly since the tax laws on percentage depletion contain a direct limitation of such deductions.

#### 5. Impact of current U.S. tax provisions

In summary, current U.S. tax laws are not designed to enhance capital recovery. This imposes an unnecessary burden on U.S. corporations attempting to compete with other world industries. In addition, by discouraging capital expenditures, specifically capital replacement, the lower rate of capital recovery in the U.S. slows improvements in labor productivity, energy efficiency, pollution control, etc.—all of which are made possible by installing technological up-to-date equipment. Current capital cost recovery in the U.S. is slower than that of most of its trading partners. This slow capital recovery goes a long way towards explaining the declining U.S. international competitive position in recent years. Faster capital recovery is essential if the U.S. is to re-establish itself as a viable competitor in the world economy. ●

### VLADIMIR SHELKOV

### HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. PEYSER. Mr. Speaker, a few days ago, I was deeply saddened by the news that Vladimir Shelkov, the 84-year-old Russian leader of the Seventh-day Adventist Church, had died in a Soviet labor camp.

Mr. Shelkov was convicted last summer of "anti-Soviet activities" in retaliation for his lengthy role as a national religious leader and for his active encouragement of religious instruction for children through Sunday school classes. This activity was regarded as so subversive and dangerous to the Soviet state that it sentenced an elderly clergyman with a weak heart to 5 years at hard labor in the winds and snows of Siberia. This sentence, which was characterized by Nobel Peace Prize winner Andrei Sakharov as "illegal and monstrous," would seem to have been carefully calculated by Soviet authorities as a de facto death sentence.

Vladimir Shelkov's final arrest and conviction was the culmination of a lifetime of religious persecution by the Soviet Government. Beginning with his first arrest in 1931 for "counter-revolutionary crimes" and ending only

with his death, Shelkov endured nearly 25 years of imprisonment and 10 years of forced hiding. It has been said that Shelkov may have been the model for the saintly Baptist in Solzhentzsyn's "One Day in the Life of Ivan Denisovitch" true or not, the characters of the two men are, unquestionably, cut from the same mold.

Shelkov was adopted as a prisoner of conscience by Amnesty International in 1978 because all of his arrests were "clearly for the exercise of his right to freedom of conscience." A letter from 53 American Congressmen was sent to Leonid Brezhnev in April 1979, expressing the concern of the Congress for Mr. Shelkov's condition and requesting his release on humanitarian grounds. No response was ever received.

Last month, I received word that Vladimir Shelkov was gravely ill and had requested medical assistance, but, according to State Department sources, this assistance was denied to him. Now, he is dead. It is worth noting that, before levying sentences in political trials, Soviet judges confer with and actually receive instructions from representatives of the party apparatus. Therefore, the fate of Vladimir Shelkov must be seen as representing official Soviet policy and the Soviet Government bears the responsibility for his death. The callous attitude of the Soviet Government toward human rights, exemplified by the mistreatment of Vladimir Shelkov, can only harm relations between that nation and the rest of humanity. I can only hope that the outcry against this and other outrageous abuses will lead the Soviet Government into conformance with the ideals and policies of the world's civilized nations. ●

### PROPOSALS TO TAX SOCIAL SECURITY BENEFITS

### HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. BONIOR of Michigan. Mr. Speaker, the Advisory Council on Social Security, which Congress established in 1977, has released its report. One of the most controversial provisions is the recommendation to tax half of social security benefits. This would amount to a huge increase in taxes for many collecting social security. I totally oppose this recommendation which would tax those least able to afford it. The American public has paid into the social security system with the belief that the benefits have been earned and already taxed. For this reason, they believed that social security benefits would not be taxable and we should not change that policy now.

Presently, the prohibition on the taxation of social security benefits is an IRS ruling. I do not believe that this is a sufficient protection. We need

to put this prohibition into law. H.R. 6012, which I have cosponsored, would accomplish this goal. I urge the Ways and Means Committee to consider this bill in the near future.

While only those individuals and couples whose income including half of social security benefits is greater than \$7,400 would be taxed, according to the Council's own estimates, this would affect 10.6 million of the 24.2 million couples and individuals collecting social security. The average tax increase for those people would be \$350 annually. Even the Council admits that those living on social security benefits are having a hard time keeping pace with inflation because the cost-of-living increases are given only annually. Yet, the Council suggests that senior citizens living on fixed incomes should pay increased taxes.

This proposal would increase Government revenues by \$3.7 billion annually. However, there are many other sources of income that are lost through tax expenditures which could be eliminated. The increased revenue from closing just the following four loopholes would be \$5.538 billion.

(1) Elimination of country club memberships as a business expense—\$38 million.

(2) Elimination of business meals for entertaining clients as a business expense—\$2,000 million.

(3) Elimination of taxation of income earned abroad by U.S. corporations until that income is returned to this country—\$480 million.

(4) Percentage depletion allowance for oil, gas and mineral companies—\$3,020 million.

Totals—\$5,538 million.

I do support the Council's recommendation that cost-of-living increases be given semiannually rather than annually. As the Council points out, the gap between the time prices rise and when the cost-of-living increases are granted is 15 months. Given the high rates of inflation, this leaves those living on fixed incomes unprotected from inflation. H.R. 2139, which I have also cosponsored, would implement this recommendation. I urge the Ways and Means Committee to pass it as well.

Our senior citizens have faithfully paid into social security for many years. They deserve to know that their benefits will be paid and will keep pace with inflation. ●

### RECOGNIZING SRI LANKA'S NATIONAL DAY

### HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. FOLEY. Mr. Speaker, it is again my pleasure to recognize February 4 as the "National Day of Sri Lanka," now celebrating the 32d anniversary of its important shift from British colonial rule to full nationhood. This independent, forward-moving, democratic nation stands as an example of pro-

gressive government, under which the quality of life has steadily improved.

I am certain that I express the feelings of many Americans in marking with admiration the achievements of this multiparty democracy. In seven elections, control of government has changed hands six times. Yet, these transitions did not interfere with the ongoing national commitment to improving the basic human conditions: In 25 years, Sri Lanka has achieved a literacy rate of 78 percent, decreased infant mortality and population growth by significant increments, and made equally important strides in improving the diet and life expectancy of its people. Earnest efforts to expand and improve economic opportunities continue to move ahead. These are truly noteworthy achievements: Sri Lanka has succeeded where many others have failed.

Confronting its economic situation, Sri Lanka has made impressive adaptations. A healthy growth rate, in today's generally poor economic climate, is the result to a large degree of the important steps recently taken to stimulate investment and savings. Free market forces have been accorded a stronger role through policies designed to create positive incentives for development. These policies have caught the interest of foreign investors, as manifested by their involvement in over 75 new industrial projects. Private capital has clearly been attracted by the prospect of a stable economic atmosphere, and thus also the prospect of greater employment.

Sri Lanka's rich and diverse culture has been known and respected by the United States for many years. It is therefore important to note its commitment to the political and economic values that are so important to maintaining these traditions.

Finally, I am not alone in respecting the genuine independence which marked Sri Lanka's recent chairmanship of the world's nonaligned movement. I think it is safe to suggest that this leadership embodied the principles which originally gave the broad-based organization its stirring appeal to so many diverse and strongly independent nations.

I extend my congratulations to all of Sri Lanka on this important date, and my best wishes for a future that builds upon the many successes of its past. ●

#### CONGRESSIONAL BLACK CAUCUS ANALYSIS OF THE PRESIDENT'S FISCAL YEAR 1981 BUDGET PROPOSAL

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mrs. COLLINS of Illinois. Mr. Speaker, the Congressional Black Caucus today presented its initial analysis of the President's proposed fiscal year 1981 budget. Our statement

criticized the budget proposal for cutting domestic assistance programs, implementing policies which will increase unemployment and recommending a massive, long-term increase in the military budget. We criticized policies which have increased official black unemployment from 11.4 percent in November to 12 percent in December to 12.6 percent in January, with even higher unemployment predicted, and which have totally ignored the Full Employment Act of 1978. The full caucus statement analyzing the fiscal year 1981 budget follows:

#### CONGRESSIONAL BLACK CAUCUS ANALYSIS OF PRESIDENT'S FISCAL YEAR 1981 FEDERAL BUDGET PROPOSAL

The President's fiscal year 1981 Federal Budget is an unmitigated disaster for the poor, the unemployed and minorities. The budget is deceptive and the American people have been misled as to its meaning. There are real cuts in domestic program spending, budget policies which will increase unemployment and a massive long-term increase in military spending. Yet, the President's budget has been presented to the American people as one which continues current services for domestic programs while making modest defense spending increases.

Nothing could be further from the truth. This is a budget which will, by the Administration's own admission, increase unemployment by 1½ million persons to 7.5 percent by the end of 1980.

This is a budget which has the Administration postponing the Full Employment Act's unemployment target of 4 percent unemployment for two more years until 1985, and the inflation target of 3 percent for five years until 1988.

This is a budget which not only increases the military budget by 5.4 percent about inflation rates in fiscal year 1981, but then locks in an additional 4.8 percent in fiscal year 1982, 4.4 percent more in fiscal year 1983, 4.2 percent in fiscal year 1984, and 4.2 percent more in fiscal year 1985 with only the passage of the fiscal year 1981 budget. This means the military budget which stood at \$127.8 billion in 1979 will be over \$248 billion in fiscal year 1985.

This is a budget which as a whole continues at a current services level, but which, because of the massive defense increase, clearly cuts social programs below even the levels they were only cut to last year.

This is a budget which claims to initiate a new \$2 billion youth jobs program, but which actually will give half that amount to school systems for illusory benefits, and provide few new jobs or training opportunities with the other half. In fact, there will be a devastating two year delay before the program becomes effective.

And this is a budget which, because it implements the same ineffective economic policies of the past several years, will neither reduce unemployment nor inflation nor the deficit. In fact, at the same time as the Administration continues to call "inflationary" spending for the programs which could make the unemployed productive, tax-paying workers, it massively increases defense spending, the most inflationary and waste-ridden Federal expenditure of all. And by focusing on the deficit, which the Congressional Budget Office and many economists say has little effect on inflation, it ignores the very reason for the budget—the well-being of our people.

Why has the public been led to believe that this budget proposal makes little change from last year? That impression has

been created through a failure to look behind the numbers and the rhetoric.

The employment budget and policy is the clearest example. First, the Administration which demanded flexibility in the Humphrey-Hawkins Act timetable, used that flexibility rather than offering alternative economic policies. After following economic policies which are creating a recession and increasing unemployment in an ineffective effort to stem inflation, it tells us that 4 percent unemployment is an unrealistic goal for 1983. The Administration also assumes "high employment" to be a 5.1 percent unemployment rate, in direct contravention of the Full Employment Act.

If the white male unemployment rate could stand at 3.7 percent at the end of last year, why cannot the same be done for the rest of the Nation? It is not inflationary to hire Blacks, women, Hispanics and youth who could produce needed goods and provide needed services. Are Blacks to stand silent when the official Black unemployment rate rises from 11.4 percent in November to 12 percent in December to 12.6 percent last month?

The budget actually reduces the number of job slots under the Title VI public service jobs program. By providing funds for only 450,000 jobs slots under the Title II-D and Title VI programs, it provides for less than one-half of the level authorized by law to respond to the unemployment rate of 7.5 percent which the Administration, itself, predicts.

What of the new \$2 billion youth employment program? Only \$300 million of that amount is requested for youth employment programs in fiscal year 1981, and only \$100 million, or about 9.8 percent above current outlays, will actually be spent in fiscal year 1981. Most of this coming year's money—\$900 million in budget authority—is to be spent for training through the same public schools which have failed to train too many of our young people in the past. In addition, because the program is forward funded, it would not become fully operational until fiscal year 1982. The number of service years under the Youth Employment and Demonstration Project Act, summer youth and Job Corps programs actually declines from 404,000 in fiscal year 1980 to 403,000 in fiscal year 1981.

But most of all, the misdirected economic policies which have put youth unemployment at 16.3 percent, and Black youth unemployment at 37.2 percent in January, will lead to an increase, rather than a decrease, in the youth unemployment rate.

Our young people are being told that money can be found to send them to war but not to put them to work. They are held hostage to the military budget.

Much is also made of the housing budget. We are told that the number of subsidized housing units will increase by 24 percent to 300,000 for fiscal year 1981. Yet 300,000 subsidized units is what the Administration claimed it was providing for fiscal year 1980, but provided money for far fewer, and only 240,000 are now expected to be produced. And the 300,000 figure was itself roundly criticized last year as a significant decrease from the 400,000 subsidized units provided for in recent years.

There are further deceptions in a budget which claims to hold poor people harmless. The budget for the revenue sharing program, set again at \$6.9 billion, does not add any money, much less the increase necessary to cover inflation. So-called "Cash Management Initiatives", whereby tax receipts will be collected earlier in the year, is used to create the illusion of a lower-deficit. These manipulations of budget figures are still being analyzed, but the massive increase in the military budget at the same

time as the overall budget remains level tells us that there are many more real cuts in domestic programs.

The military budget is most frightening of all. Prepared even before the Russian invasion of Afghanistan, the military budget is increased over 5 percent beyond inflation. And Secretary of Defense Brown has already informed the House Armed Services Committee that he will be back for further supplemental requests during the coming months.

When we read that other countries have subjugated domestic needs to their military machine we should understand that that is exactly what this budget is doing to our own country.

Most terrifying is that this is really a watershed year for the military budget. If Congress approves this 5 percent real increase, it is setting in motion weapons and personnel expenditures which will require increases of at least 4 percent each year through fiscal year 1985 and beyond.

The American public must become involved in the debate on this budget. The shape of our lives for many years is at stake, and for many, if not all of us, it is our very lives which are at stake. ●

#### PERSONAL EXPLANATION

### HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. CORCORAN. Mr. Speaker, due to a previous commitment in Illinois on January 23, I was unable to be present and voting on House Resolution 513, the rule providing for consideration of H.R. 4788, the water resources development bill. If I had been present, I would have voted for the resolution. ●

#### IS THE FEDERAL COMMUNICATIONS COMMISSION MAKING POLITICAL DECISIONS?

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. MICHEL. Mr. Speaker, the Federal Communications Commission (FCC) recently announced it has fined RKO General \$400 million and stripped that company of its television stations. Put more simply, the FCC has declared war on RKO General.

The Wall Street Journal recently addressed this ruling. I believe that what the Journal has to say is worth consideration by anyone interested in the relationship between Government and industry. The editorial raises the serious question that far from being a decision based on the relevant facts, the FCC ruling is quite possibly based on political motivations.

In any event, I want to take this opportunity to place the editorial in the RECORD. If, indeed, the Wall Street Journal's argument is even near correct, this case should be watched closely as it continues—RKO General will fight the decisions in the courts. We may have something more than a

regulatory agency's ruling—we may have the imposition of a political and ideological point of view instead of reasoned judgment in a major Government decision. I think that even the possibility of such an imposition should concern every American.

At this time, I wish to insert in the RECORD, "By Favor of the King", the Wall Street Journal, February 1, 1980:

[From the Wall Street Journal, Feb. 1, 1980]

#### BY FAVOR OF THE KING

Last week the Federal Communications Commission issued a press release fining RKO General some \$400 million and kicking it out of the broadcasting business. Eventually the FCC will get around to writing a formal decision explaining why.

The attempt to explain this arbitrary action should make amusing reading. Four of the seven commissioners decided that RKO no longer "qualified" to hold broadcast licenses for its TV stations in Boston, New York and Los Angeles—and by extension presumably for its other 13 licenses to come up for future renewal. The other three commissioners disagreed. So did the FCC Broadcast Bureau, and an FCC administrative law judge who reviewed RKO's qualifications. Both had recommended that the licenses be renewed.

RKO's problems started some 11 years ago, when supermarket heir David Mugar set his eyes on its license for WNAC-TV in Boston. His challenge to the license was going nowhere, so he hired Terry Lenzner, former counsel to the Senate Watergate Committee, and Washington reporter Scott Armstrong, co-author of "The Brethren," to see if they could dig up some dirt on RKO.

RKO is a subsidiary of General Tire and Rubber. According to the FCC press release, in the early Sixties General Tire pressured various companies to advertise on RKO stations as a condition of doing business with the parent. This was nearly 20 years ago. It was settled in a consent decree with the Justice Department in 1970, many license renewals ago.

In the general purging of pre-Watergate morality, General Tire also was found to have been involved in some bribery antics of the sort that most companies felt were necessary to do business in countries like Rumania, Morocco and Chile. It also confessed to a slush fund for political contributions, the contents of which never exceeded \$25,000. It seems that RKO delayed telling the FCC that its parent was being investigated by the Securities and Exchange Commission. But eventually the SEC pronounced itself satisfied with General Tire's confessions, and a settlement was reached.

For these sins, the commission press release declares, RKO is "unqualified" to retain its licenses. "The company could not be trusted in the future to operate WNAC-TV in a manner consistent with FCC standards."

Dissenting Commissioner James H. Quello accused the majority of "gross bureaucratic overkill." He added, "none of the allegations against the parent company, General Tire, impacted the broadcast subsidiary or affected broadcast service. RKO stations have a long history of renewal in the public interest. They are broadcast pioneers with over 25 years of meritorious broadcast service to the public."

Business ethics of course need to be policed, but the General Tire problems have been adequately dealt with by the appropriate agencies. In any event such offenses strike us as small beer, and on alternate days the FCC itself seems to agree. This week it approved licenses for Westinghouse

Broadcasting, a subsidiary of Westinghouse Electric. Back about the time General Tire was twisting the arms of a few advertisers, Westinghouse was involved in the notorious electrical price-fixing case. In 1978, Westinghouse entered a guilty plea for failing to disclose \$323,000 in foreign payments. Yet Westinghouse is qualified to continue in the broadcast business but RKO General is not.

It is by no means clear, by the way, that Mr. Mugar will succeed in his effort to get the Boston license. Another group, Hub Communications, has also put in a bid. Mr. Mugar has, however, linked up with a third group, composed of blacks and MIT professors, to get the advantage of a movement toward more minority ownership of broadcast licenses. RKO is of course appealing in the courts.

If the FCC bestows these licenses on the challengers, it will be making them instant millionaires, just as its decision puts RKO out of the broadcast business. This has been a historical pattern with government protected monopolies like broadcast licenses. It is just as in the olden days when the king would take the salt monopoly from one courtier and bestow it on a new favorite. Surely there must be a more civilized way—auctioning off the licenses probably—to make such decisions.

When decisions are made by court politics, it is always difficult to discern precisely what has happened. But we would feel a little less uncomfortable about this case and those potential new Boston millionaires were it not for a couple of facts. The president of RKO is Frank J. Shakespeare, head of the U.S. Information Agency in the last Republican administration. And the Chairman of the FCC is Charles D. Ferris, whose previous job was as general counsel to House Speaker Tip O'Neill, Democrat of Boston. ●

#### SENDING A SIGNAL TO THE PHILIPPINES

### HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HALL of Ohio. Mr. Speaker, I was disheartened to learn that the administration is seeking congressional approval for fiscal 1981 of \$25 million in grant military assistance for the Philippines. This is the same amount successfully sought for fiscal 1980. The administration also wishes to continue foreign military sales credits for the Philippines in fiscal 1981 at the fiscal 1980 request level of \$50 million.

The fiscal 1981 administration budget request for military aid for the Philippines carries out the gentlemen's agreement between President Carter and President Marcos that the administration would use its best effort to obtain certain security assistance funding for the Philippines over the 5 fiscal years following the base agreement between the two countries concluded in early 1979. The text of the President's letter of January 4, 1979, to President Marcos in which he discussed this commitment follows at the end of my remarks. This statement of intent on the part of the administration was not part of the Military Bases Agreement per se, nor did it specify, for example, that \$25 mil-

lion in grant military assistance would be sought in fiscal 1981.

Last year, during committee consideration of military aid for the Philippines, I offered an amendment to reduce grant military assistance to that country by \$7.9 million. This amendment was adopted by the Subcommittee on Asian and Pacific Affairs, but later overturned by the full Foreign Affairs Committee.

This year, I intend to offer an amendment in committee to make a substantial reduction in grant military assistance for the Philippines. In my opinion, the need for such a cut is even more compelling this year.

A significant cut in military assistance would be a signal to two elements in the Philippines. First, it would signal the Marcos regime that the United States wants to see martial law lifted and democratic processes and civil liberties fully restored. Second, it would signal the growing opposition forces in the Philippines that the United States does not wish to be tied to the repression of the Marcos government.

In 1979, we saw the failure of bankrupt and shortsighted policies which tied the United States to the shah in Iran and to Somoza in Nicaragua. The media is far ahead of both Congress and the administration in pointing to the Philippines as the next "Iran" or "Nicaragua." Will we be left holding the bag in the Philippines, too?

President Marcos is a wily and skillful manipulator of world opinion. He knows when to release political prisoners, hold bogus local elections, and otherwise ease up on oppressive policies. He also may be the beneficiary this year of the heightened security consciousness which seems to be sweeping the country in the wake of the Russian invasion of Afghanistan. Given the turmoil in that part of the world, the bases in the Philippines are likely to assume renewed importance for those concerned about the strategic interests of the United States.

It would be tragic, however, if perceived short-term security interests were to override our long-term relations with the Filipino people. The successors of Marcos no doubt will recall the support given Marcos by the United States and hold the United States responsible for complicity in the abuses carried out under Marcos.

Ferdinand Marcos has interrupted the democratic tradition in the Philippines. Cutting military assistance to Marcos would demonstrate that the United States favors the early restoration of that democratic tradition.

In Nicaragua, Somoza succeeded in systematically repressing moderate democratic alternatives to his regime. The Sandinistas became the only real alternative left. A similar situation could occur in the Philippines. If democracy is not restored and the moderate opposition has no workable alternative, a radical liberation front could become the umbrella for the disaffected. I believe the United States

must apply pressure upon Marcos to hold free elections so that the Filipino people can determine their own destiny in a democratic climate—while that is still a possibility.

It will be argued that we cannot cut military assistance because that assistance is necessary to the Bases Agreement. We already have a Bases Agreement with the Philippines. Military assistance for Marcos was not a part of the official agreement. If we cut a significant amount of that assistance, we are not going to lose the bases. Indeed, even under the terms of the President's letter to President Marcos, there is no requirement that we provide a specific amount of military assistance in fiscal 1981. Let the administration's "best effort" bear fruit in another year, after martial law has been lifted and the democratic processes fully restored. If the bases are in our vital security interests, let us not lose them in the long run through the application of a policy that seeks to save them in the short run.

A thought-provoking editorial in the Washington Post of February 5, 1980, outlines well the framework within which the United States should develop its policies with the Marcos government. I commend it and the President's letter last year to President Marcos to the attention of my colleagues:

THE WHITE HOUSE,

Washington, January 4, 1979.

President FERDINAND E. MARCOS,  
Republic of the Philippines, Manila.

DEAR MR. PRESIDENT: I was pleased to learn that our negotiators have reached agreement on an amendment to the 1947 Military Bases Agreement.

In light of this development, I wish to state that the Executive Branch of the United States Government will, during the next five fiscal years, make its best effort to obtain appropriations for the Philippines of the following amounts of security assistance:

Military Assistance—\$50 million.  
Foreign Military Sales Credits—\$250 million.  
Security Supporting Assistance—\$200 million.

In addition, the United States will give prompt and sympathetic consideration to requests for specific items of military equipment to be provided under these programs, and to requests for the sale of other military equipment which your government may wish to purchase through U.S. government or commercial channels, consistent with the worldwide policies of this government with respect to the transfer of conventional arms.

In closing, let me state once again that I appreciate your personal efforts in bringing these negotiations to a successful conclusion. I believe that the amendment to which our two governments have now agreed will strengthen the security not only of the Philippines and the United States but also of the entire Western Pacific region.

Sincerely,

JIMMY CARTER.

#### COURTING A BACKLASH?

After a year in which popular revolutions of the left toppled American-supported martial-law regimes of the right in Iran and Nicaragua, it is only prudent for Americans to be checking the roster of friends and

allies for other positions in which the United States may be exposed. Any such review brings you quickly to the Philippines, where President Marcos is nearing the end of a decade of military rule and where assorted kinds of opposition—church and secular, political and military, lower-class and middle-class, Marxist and Moslem—are bubbling up all around.

Regrettably, very little of this sentiment was allowed to be expressed in the local elections (the first in eight years) that Mr. Marcos staged over the weekend. It was not simply that his candidates, using the formidable advantages his rules ensured them, swept most contests. Mr. Marcos also failed to persuade the principle opposition parties that it was worth their while to compete at all. Simultaneously, he launched a dialogue on "political normalization" with his long-jailed chief political rival, Benigno Aquino, whom he even freed for three weeks to conduct his own political soundings. But neither the elections nor the normalization gambit, which most Filipinos seem to have dismissed as a snare though it has not yet been played out completely, indicate any more than a slight and tentative readiness on Mr. Marcos' part to try to defuse the popular explosion that almost all experts believe is otherwise a near certainty.

The United States, by the military-bases agreement it made a year ago, accepted a certain obligation not to hassle the Marcos regime, in public anyway, for its perceived internal failings. Bases aside, President Marcos has earned further American gratitude and discretion by offering major help in receiving boat people and by voting right in the Security Council on Afghanistan—things like that. American officials can see that the Filipino opposition is building and that it tends to hold Washington responsible for the government's undemocratic ways. Yet they view the problem less as hedging against a possible future disaster than as balancing out a set of competing interests now.

In the current calculus, the emphasis of American policy is inevitably on ensuring continued security cooperation and demonstrating the benefits and reliability of the American connection. We don't quarrel with this emphasis. But we would like to hear the administration explain, perhaps in the testimony it is about to offer the House, what it is doing to ensure against a backlash some day from Mr. Marcos' domestic foes. The Philippines, unfortunately, is not the only place of which that question must be asked. ●

#### THE PUBLIC DEMAND FOR MORE GOVERNMENT SERVICES AND LESS GOVERNMENT SPENDING

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. DERWINSKI. Mr. Speaker, the Christian Citizen, published in Alsip, Ill., is an innovative, informative and one of the leading Christian newspapers in the country. Its editor and publisher, Rev. Donald M. Parker, in his editorial commentary of February 1, addresses the public demand for more Government services while complaining of Government interference and expanded Government spending, which thus increases the inflation rate and cost to the public. I wish to insert Reverend Parker's commentary on his

solution to the steady growth of Government spending:

[From the Christian Citizen, Feb. 1, 1980]

STOP GIVING US SO MUCH, PLEASE

(By Donald M. Parker)

The cartoon below rather hits home, doesn't it? Our wants go in two directions at the same time. Mutually opposed directions at that.

A related area is that we all like "something for nothing." Yet, nothing ever comes really free.

With every government give-away program there is an enormous price tag. Welfare packages come gift-wrapped in pretty paper and topped with a neat bow. Most attractive. But inside they contain rotting meat swarming with maggots.

Welfare, Social Security benefits, farm subsidies, "guaranteed" or low-interest loans have to be paid by someone. The cost or "guarantee" has to come from someone's pocket, from someone's labor and fruits of labor.

The more the public demands from its government, the more government in turn demands from the public. "We want clean air and pure streams" means that the EPA and other regulatory commissions, agencies and bureaucrats are going to be formed. Government leeches thus are spawned, consuming precious tax dollars, increasing inflation's impact and deficit spending.

More governmental "Thou Shalt Nots" are promulgated, putting businesses and consumers alike into ever tightening strait jackets.

When government officials—bureaucrats and our elected legislators—can't balance the budget with tax-dollar income, they spend beyond their means and make up for the difference by expanding credit and pumping more printing-press money into the economy. This legalized form of government counterfeiting keeps inflating the money supply to pay for the deficit-creating expenditures and give-away programs, whether nationally or in foreign countries. This is "foreign" aid par excellence!

As a consequence, money is cheapened—devalued—buying less in the market-place, thus everything costs more. Even the so-called government freebies.

Every year Social Security demands more from this country's most productive workers. The amount of wages that may be taxed by Social Security and matched by employers grows annually several thousand dollars.

Because things cost more since it takes more and more of the ever-cheapening dollars to pay for them, wage increases can hardly keep up with inflation's demands. Every wage increase puts the worker in a higher tax bracket, giving government more tax monies in the process and setting the wage earner further back in relation to take-home pay and his standard of living. "Another day older and deeper in debt!"

With 1979 inflation running at 13.2 percent, the President urged a 7 percent wage increase limitation, guaranteeing a financial setback for all. The same year the U.S. House approved a \$430 billion "temporary addition" to the \$400 billion permanent National Debt limit—a 7½ percent increase.

Approaching 15 percent annually (matching Prime Rate), inflation is growing twice as fast as earnings, earnings which are taxed at ever higher rates and consumed by ever increasing prices. Frustration at wholesale prices!

See why Americans must begin paying less taxes? To force Federal Fat Cats to TRIM their budgets and reduce Federal spending.

Please, Government, stop giving us so much! We are being buried alive! Smothered by Big Brother's "kindness"!•

JOINT STATEMENT OF HON. JOHN M. MURPHY, HON. JOHN B. BREAUX, AND HON. EDWIN B. FORSYTHE IN REGARD TO HOUSE CONCURRENT RESOLUTION 223, TO TERMINATE SOVIET FISHING IN THE FISHERY CONSERVATION ZONE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

• Mr. MURPHY of New York. Mr. Speaker, in furtherance of the policies of the United States to apply appropriate political and economic pressure against the Soviet Union because of its recent invasion of Afghanistan, today we, together with a number of cosponsors, are introducing a House concurrent resolution to urge the President to terminate the fishing privileges of the Soviet Union in the U.S. fisheries unless the Soviet military presence in Afghanistan is withdrawn by February 20, 1980.

Under the Fishery Conservation and Management Act of 1976 (FCMA), no foreign fishing is authorized within the 200-Mile Fishery Conservation Zone (FCZ) of the United States unless a Governing International Fishery Agreement (GIFA) is entered into between the United States and the foreign nation concerned allowing such fishing.

On November 26, 1976, the United States and the Soviet Union entered into a GIFA that permits the vessels of the Soviet Union to engage in fishing within the FCZ for fish that are surplus to the needs of U.S. fishermen. This agreement does not expire until July 1, 1982.

Pursuant to the GIFA, allocations of fish have been made to Soviet vessels for the past 3 years. In 1977, 266 Soviet vessels were licensed to fish within the FCZ; they were allocated approximately 565,000 metric tons of various species of fish and actually caught about 300,000 metric tons.

In 1978, 212 Soviet vessels were licensed; they were allocated 580,000 metric tons and actually caught 370,000 metric tons. In 1979—based on preliminary figures, 146 vessels were licensed; they were allocated over 500,000 metric tons and actually caught 310,000 metric tons.

In 1980—based on preliminary figures, 118 Soviet vessels were licensed to fish and the total allocations would have amounted to approximately 450,000 metric tons of fish. However, of this amount, 75,000 metric tons were actually allocated in the Gulf of Alaska and the vessels had commenced fishing in the gulf prior to the Russian invasion of Afghanistan. On January 4, the President announced that the United States would curtail Soviet

fishing in the FCZ; therefore, the remaining 375,000 metric tons were not allocated. The contemplated allocations would have amounted to 200,000 metric tons in the Bering Sea; 150,000 metric tons in the Pacific Ocean off the coasts of California, Oregon, and Washington; and 25,000 metric tons in the Northwest Atlantic Ocean.

It is estimated that this loss of catch to Russia is valued at between \$50 to \$65 million. The Russians in the past have caught about 5 percent of their total fisheries needs in our FCZ.

The Soviet Union's brutal aggression against Afghanistan has already resulted in a number of other retaliatory actions. The President on January 4 imposed a virtual embargo on grain sales and other critical export products. On January 14, the United States joined 139 other nations in a United Nations Peace Resolution calling for the immediate, unconditional, and total withdrawal of all foreign troops in Afghanistan. On January 20, the President announced that unless the Soviet Union withdraws its troops from Afghanistan by February 20, he will recommend to the U.S. Olympic Committee that our athletes not participate in the Olympics to be held in Moscow this summer.

The termination of the fisheries agreement with the Soviet Union will further underscore the deep concern that the United States has with respect to the threat to world peace posed by the Soviet aggression. It is imperative that the President transmit the required 1-year notice to terminate this agreement so that the Soviet people will know once and for all that after this 1-year period there will be an absolute ban on Russian vessels in the FCZ for the remainder of the agreement. Thus, pursuant to the requirements of the FCMA, no new agreement could be entered into after the 1-year termination notice to allow Soviet vessels to again fish in the FCZ without the approval of both the House and Senate. Indeed, this is the way it should be because this is probably the only way that Congress can have any direct input in the decision-making process concerning any resumption of Soviet fishing in our zone. It goes without saying that there must be congressional input in any policy that would allow Soviet fishing in the FCZ in the future. This resolution is designed to accomplish that purpose.

Moreover, the termination will put other nations on notice that their fishing privileges in our waters may be jeopardized if they take actions that are inconsistent with U.S. policies in similar situations.

Our plans are to bring the resolution before the House for a vote at the earliest possible date, and we urge all Members to give it their strong support.•

## NICARAGUA NEEDS AMERICAN SUPPORT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. CONYERS. Mr. Speaker, by the end of February the House will consider a \$75 million aid supplemental to the people and Government of Nicaragua. Approval of this aid would be a hopeful, constructive step in assisting the Nicaraguan people in a time of great need and in repairing the damage resulting from three decades of the Somoza dictatorship.

The 2½ million people of Nicaragua, having overthrown in July 1979 the Somoza regime, now face the enormous tasks of national reconstruction. Roughly three-quarters of the people are poor; 60 percent, it is estimated, are illiterate. Nicaragua's external debt, contracted under the former regime, amounts to \$1.5 billion, which the new Government has pledged the honor. The physical and economic damage to the country, after the revolution, has been estimated at \$1.8 billion. Yet the new Government's foreign exchange is in the neighborhood of \$80 million, and it is already in a state of default on its foreign bank loans.

The new Government has launched a series of major reconstruction programs, including a national literacy campaign and a program to create 90,000 new jobs. From all appearances, it enjoys the overwhelming support of the people. Nicaragua badly needs capital and credit to rebuild, and the aid supplemental is a first step in this direction.

The Christian Science Monitor on February 1 carried a highly informative report on Nicaragua's current situation—the author, Barbara Koepfel, is currently on assignment there and contributing much useful information. Recently, the Detroit City Council issued a resolution in support of the Nicaraguan revolution. A number of Detroiters have been active in Nicaraguan support efforts, and have issued an appeal for Americans to aid its anti-literacy campaign.

I urge my colleagues to review these documents on Nicaragua, and support the old supplemental:

[From the Christian Science Monitor Feb. 1, 1980]

### NICARAGUA SETS OFF ON ROCKY ROAD TO RECOVERY

(By Barbara Koepfel)

MANAGUA, NICARAGUA.—Six months ago, Nicaragua was euphoric. General Somoza had slipped off in his private jet to Miami, away from the land his family had ruled—some would say plundered—for over four decades.

His National Guard, feared and sometimes despised, was vanquished. The bombs, which the desperate President had showered on his people, had ceased to fall.

Nicaraguans cheered the Sandinistas as they marched triumphantly into Managua. Hundreds of thousands of citizens crammed

in front of the National Palace to make the change of government official, welcoming Sandinista leaders and their victorious army.

But today the euphoria has faded. The country reels under the weight of the tasks of recovering from the ravages of war, poverty, and neglect, and moving the revolution forward.

Pride persists, however. "Our land, our revolution," billboards proclaim. The words are echoed everywhere.

Especially noticeable is a tremendous feeling of relief. "We're not afraid any longer," a bellboy says. "Now we can go out at night without wondering if we will return home," says a businessman.

Just as widespread is the deep sense of unity.

"We all think of the revolution as our child, and want to protect it, to give it a chance to grow. So we criticize everything, but not the revolution," explains Eduardo Kuhl, a coffee grower and hotel owner.

None of this diminishes the problems facing Nicaragua.

The Sandinistas inherited a bankrupt economy. General Somoza emptied the Treasury before he fled, leaving \$3.5 million in the banking system and a whopping \$1.6 billion foreign debt.

Areas that were destroyed must be rebuilt. Most factories were bombed. Communications and transport systems were in shambles. Thousands of houses and businesses were destroyed. Famine threatens because crops were not planted during the insurrection. Production ground to a halt during the war, so unemployment is widespread, hovering now around 30 percent.

Social needs are pressing, not just from the war, but from years of "Somocismo" in which there were great wealth for the few and grinding poverty for the many.

To make matters worse, the government faced incredibly high public expectations.

"Many Nicaraguans thought that once Somoza was gone, life would change instantly. But that just isn't possible," insists Dr. Moisés Hassan Morales, one of the five members of the ruling junta.

The government passed over 200 decrees to get the country rolling and ease the burden of the poor, who are at least 75 percent of the population.

Rents under \$150 a month were cut by almost half. The wages, about \$1.80 a day, were raised slightly, and government salaries—even those of the junta—were limited to \$1,000 a month. Prices of basic foods like rice, beans, and milk are controlled to keep the lid on inflation.

Schools and medical care, which were previously unavailable to most Nicaraguans (because fees were charged), were made free. Unions, which were either powerless or crushed, now are organizing furiously and have real strength. A hundred thousand workers already have formed unions, under the approving eyes of the Sandinistas, and 60,000 peasants have joined the farm worker's union.

Elections are occurring in the "mass" organizations (the block committees, women's and youth groups, and unions) and in local governments. Many Nicaraguans are participating in decision making for the first time.

Economic plans for 1980 are ambitious. The government will try to create 90,000 jobs, though many observers doubt this is possible so soon.

Bombed-out buildings are being rebuilt, and roads, parks, and hospitals, and the like are being constructed in every part of the country. Most of the housing that had been destroyed in Managua, in fact, is already completed.

Perhaps most important, a mass campaign to teach basic reading and writing to the 53

percent of Nicaraguans who are illiterate will begin in March.

All these improvements must be paid for out of production, which creates something of a dilemma for the new leaders, who have promised much.

"We can't afford to consume our resources now. We must work and reinvest them," says Henry Ruiz, the nation's new planning minister.

The country is potentially rich, and could indeed provide the social goods—for example, education, health care, housing, and some of the jobs—that leaders now promise if it can just get out of the current impasse, produce enough to earn foreign exchange, repay the debt, and accumulate surplus.

What is interesting is that despite the staggering problems, the government and Sandinista leaders command the loyalty of most of Nicaragua's 2.5 million people.

"The people trust the new government. After all, they were part of the insurrection together," observes Mary Hartman, an American nun who has been here for 15 years.

"They aren't afraid of austerity either, because most Nicaraguans always lived [with] it, along with repression. Now it's just austerity. And they are confident things will change."

Not all, of course, are satisfied.

Not unexpectedly, the sharpest complaints are from those with large business or land holdings, who fear the government is too committed to the poor and not concerned enough with the needs of the private sector. A key business organization, the Superior Council of the Private Sector, has endorsed the government's economic plan for this year, but is clearly edgy about what latitude the Sandinistas will allow for it and how the government expects it to help out.

The influential daily newspaper *La Prensa*, as well as news organizations representing the political left and right, have also criticized the six-month-old government. In part, this indicated a positive shift—the government feels comfortable enough to relax some of the controls it instituted after taking power.

The private sector's dissatisfaction is noteworthy, because, controlling 60 percent of the economy, its cooperation is essential if the ailing economy is to revive. The government also needs the private sector's investment and managerial know-how.

Businessmen are skeptical, however, of the Sandinistas's growing political power. They fear that someday their holdings may be nationalized.

They point out the government already has put strong controls on finance and foreign trade. It extends credit for business ventures it feels are most needed—for example, to produce necessities like food, clothing, and medicine, and to market key export products like cotton and coffee. And it regulates what is imported and exported.

It woos private enterprise with easy loans, good prices, and quick payment for products the government then markets; thus eliminating the middlemen.

The Sandinistas promise a certain degree of labor peace, too. They are launching a campaign to hold down wage demands and increase labor productivity.

But the government has hinted it can use its muscle against business. If the large landholders, for example, leave fertile land uncultivated, it will lease the lands for nominal fees to others who are more willing to cultivate it.

Jaime Balcázar, head of a UN mission here, says the Nicaragua government is "not communist, as some in the US say, or capitalist with new face, as some of the ultra-left critics here claim. Nor is it anything in

between. Rather, the model is purely Sandinista."

**DETROIT CITY COUNCIL TESTIMONIAL  
RESOLUTION  
NICARAGUA**

Whereas the people of Nicaragua have paid a great price for their freedom from the Somoza dictatorship, namely, tens of thousands, of lost lives, a devastated industrial sector of the economy and a practically bankrupt national treasury, and

Whereas the people of Detroit expressed their concern and support for the people of Nicaragua during the recent war of liberation when last April 21st, Manuel Cordero, representing the MPU (United People's Movement) was presented with a Spirit of Detroit citation, and

Whereas the Nicaraguan people have begun to reconstruct a new society of "Freedom, Justice and Peace," based on "The Recognition and Affirmation of Fundamental Human Rights, both individual and collective," as spelled-out in the Statute on the Rights of Nicaraguans, and

Whereas the distinguished guests from Nicaragua, Moises Hassan of the governing Junta of the Government of Reconstruction and Doris Tijerino of the Secretariat of External Affairs of the FSLN (Sandinista Front, for National Liberation), are visiting Detroit in order to participate in the Second National Conference on Nicaragua: Now, therefore, be it

*Resolved*, That the Detroit City Council extend a warm greeting of friendship to the people of Nicaragua through its distinguished guests, Moises Hassan and Doris Tijerino; that it expresses its continuing support for the people of Nicaragua as they reconstruct their nation into one of "Freedom, Justice and Peace" and that it makes its own, the demand of many concerned U.S. citizens to their federal government for granting generous unconditional reconstruction aid to the people of Nicaragua.

**NATIONAL NETWORK IN SOLIDARITY  
WITH THE NICARAGUAN PEOPLE,  
Detroit, Mich.**

**LETTER ON LITERACY TO RESPONSIBLE  
AMERICANS**

The Somoza dynasty ruled Nicaragua for forty-odd years. Among its legacies is the fact that more than half of the people of Nicaragua can neither read nor write. The Somoza dictatorship, after having greedily neglected the education, health and economic welfare of the Nicaraguans for so long, was overturned by a national uprising led by the Sandinista guerrillas in July 1979. The new authorities in Nicaragua are determined to do away with the shameful legacy of the Somoza decades. In 1980 they will be concentrating their energies on literacy. To this end a national campaign to eradicate illiteracy is now in preparation.

The campaign will get under way in March 1980, at the start of the dry season in Nicaragua. The organizations of Nicaraguan workers, women and youth are sharing responsibility for conduct of the campaign. They have already canvassed the population and determined that illiteracy, country-wide, stands at between 55 and 60 percent but that in the rural areas it approaches 95 percent of the people. They have also found that, within the minority of the population who read and write, fully 120,000 people are ready to help teach their fellow citizens to read and write. This is an impressive response in a nation of little more than two millions who are only beginning to recover from the economic and military devastation inflicted on them by the Somozas. To carry through this educational campaign money

is needed desperately for supplies to equip classrooms, teams of volunteer teachers and students in a countryside where there have never been teachers and schools before.

If the Nicaraguans are willing to help themselves by helping each other in this manner, can we in the United States fail to respond when asked for material aid to the impending literacy campaign? Remember: the plight of the Nicaraguans is the consequences of long years of U.S. domination of their country. The Somozas were put into power and kept there by the U.S. Do not Americans, then, have a special responsibility to help the Nicaraguans when they ask us to?

We can help. People-to-people support to the Nicaraguan literacy campaign can be channeled through Humanitarian Aid to Nicaraguan Democracy (H.A.N.D.). Make checks out to H.A.N.D. Send funds to National Nicaraguan Solidarity Network, Detroit Regional Office, 1820 Mt. Elliott, Detroit, MI 48207.

Rev. JAMES ZELINSKI,  
Regional Director.

**NICARAGUA LITERACY CAMPAIGN—FACT SHEET**

1. Under Somoza 60 percent of the people of Nicaragua were illiterate. The 40 percent who are literate received substandard educations. In rural areas most people only went to 2 or 3 grades of school, in the cities people went to 6th grade. High schools were not very common outside of the cities, and in the cities most were private or Catholic schools, which charged tuition. In some rural areas, the recent literacy census has found out, 90-95 percent of the people are illiterate. According to the same census even in Canada, the third largest city, illiteracy rate among youths 10-14 years of age, was 43 percent—and this is the age range which ordinarily has the highest literacy rate.

2. The new Government of National Reconstruction has decided to launch a mass, literacy campaign with the goal of teaching 700,000 to 1 million people to read and write. The campaign will begin in late March, or early April, when the rainy season ends, and run through August, when the rains begin again. If the target is not met by then, the campaign may be run again in next years dry season. The reason for running it in the dry season is that during the rainy season the road and transport in many rural areas, precisely those with the highest illiteracy, become inaccessible. So far 140,000 people have volunteered to take part in the campaign as teachers. Total cost of the literacy campaign is estimated to be \$20 million.

3. The revolutionary government considers that education is one of the basic priorities of the revolution. Consequently it has made all schooling free, and started this literacy campaign. It considers literacy to be with food and health care the three top priorities that it must deliver to the people as gains of the revolution.

4. The first step in the campaign was the census to determine how many people needed the literacy campaign, and how many would volunteer to teach in it. The enthusiastic response on the part of volunteers shows that the campaigning will be a success. The next step in the campaign, which has just begun, is the preliminary training of the 140,000 to prepare them to teach illiterates. The method to be used is that of Paolo Friere, world renowned Brazilian educator, author of *Pedagogy of the Oppressed*, whose methods for mass literacy, based on life experiences and consciousness of oppressed peoples, have already been used in Chile, Peru, and other Third World countries. Paolo Friere was in Nicaragua to

help with the initial setting up of the campaign.

5. During the campaign all schools will be closed so that the volunteers, many of them high school and college students can take part. The main structures for the campaign come from the mobilization of Nicaragua's mass organization. The Sandinista Defense Committees are administering the campaign locally. The trade unions are organizing teachers, as well as those of its members who need literacy classes. The peasant organization is setting up classes in rural areas and the Sandinista Youth group, July 19; and the National Women's Organization are organizing the volunteer teachers.

6. The mass character of the campaign is perceived as an essential part of the revolutionary process, and of the raising of political consciousness and organization. It is felt that the city people who take part will get an understanding of the working conditions and life of the rural working class, and a better understanding of the tasks of the revolution. The campaign will bring the benefits of the revolution to the countryside, use texts which will provide a political awareness to the illiterates on what has happened in Nicaragua and an understanding of the revolutionary process. It is expected that many of the illiterates whose political consciousness and independence have been developed by becoming literate will be organized in the mass organizations (youth, womens', unions, farmworkers, etc.) which are organizing the campaign and are seen as the essential defenders of the revolutionary process.

7. The campaign is being carried out as war on illiteracy—with the same seriousness that the war against the Somoza dictatorship was fought. Volunteers are being organized into Brigades and Fronts, with the same names as the brigades and fronts that fought the guerrilla war against Somoza. It is designed to create that same fighting spirit which existed against the dictatorship to battle as great enemy of the revolution, illiteracy and ignorance. A literate, aware, conscious people is seen as the way to freedom, to defending the revolution, and to deepening it.●

**SANDINISTA TERRORISTS ON  
THE MARCH**

**HON. JOHN M. ASHBROOK**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. ASHBROOK. Mr. Speaker, in the next few weeks the House will be asked to send \$75 million of taxpayer wages to stabilize the Marxist regime in Nicaragua. It has been interesting to watch how Mr. Carter and the press has tried everything possible to reconcile this aid package with the increased anti-Communist rhetoric of recent weeks. They have named the bill the "Special Central American Assistance Act" to fog the real purpose of the legislation and they have done their best to portray the new Nicaragua as some socialist nirvana that will become the bosom buddy of America once several million dollars fill their coffers.

Maybe this time the U.S. public will not allow itself to be duped into aiding one more beach head for communism. Over the years we have aided Castro in Cuba, built the plants for the Sovi-

ets to revitalize their armored divisions, given credibility to Swapo in Namibia and to the MPLA in Angola, we have opened the door for the Ayatollah in Iran and we have given implicit moral support to guerrillas in Rhodesia and South Africa by not supporting efforts to stop their violence. One day Americans might learn that there are forces out there that must be confronted and can never be co-opted.

The Nicaragua aid bill has been pushed by the media and the administration as a vital method of keeping Nicaragua from becoming an outpost for Cuba. The assumption in this argument is that the Sandinistas are spending their time worrying about internal improvements to their war-torn nation. Every now and then reality breaks through this sugar coating. Buried deep in the Washington Post is a short news item about Juan Jose Molina Peres. Juan is a Sandinista terrorist captured during a skirmish with government force in El Salvador. What was a Sandinista doing in El Salvador? He was aiding leftist forces in fighting the existing government. Was he a lone operative? He was part of a four-man team that had arrived from Nicaragua to help destabilize the country of El Salvador.

For months there have been reports coming from El Salvador, Guatemala, and Honduras of increased terrorism in the wake of Nicaragua falling. Just like in Southeast Asia the dominoes are being lined up for a long-term program of conquest. Also like Southeast Asia the media is doing its best to downplay the obvious signs of regional adventurism. We discounted the hand writing on the wall in Vietnam and now have the tragedies of the boat people and the refugee camps in Thailand. Are we now going to be lulled to sleep by Mr. Carter and company and fund the Sandinistas as they march up the coast? It is time to draw the line and that line should begin with Nicaragua aid. ●

### SURVIVING CASTRO'S HELL: HUBER MATOS' TRIUMPH

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. MICHEL. Mr. Speaker, on October 23, 1979, I placed in the RECORD an article from the New York Times, dealing with Huber Matos. For 20 years Matos, a former aide to Fidel Castro, was imprisoned on trumped-up charges of treason to the Castro regime. Matos' real offense was his refusal to go along with the Castro dictatorship. Castro's cruel vengeance on this man ranks high among the most inhuman and vindictive crimes ever committed by a dictator against one innocent human being.

Now Matos is free. He has talked to a Times reporter about the way he spent the last 20 years in Castro's

Cuban prisons. The article should be required reading for those in government and media who have taken a starry-eyed approach to the Cuban dictator. Castro is satanic in his hatred of those who stand in his way and he has made a hell out of Cuba. Matos endured one corner of that hell and survived. Before we even begin to think about recognizing Castro's Cuba, Huber Matos' story should be made known to every American.

At this point I wish to insert "Prisoner of Castro: The Huber Matos Story," from the New York Times, February 4, 1980.

#### PRISONER OF CASTRO: THE HUBER MATOS STORY

(By Richard Eder)

Huber Matos is 61 years old, compact, grizzled and alert. There is a suggestion of a graying badger to him; an independent creature that is fierce in corners.

It has been said that of all Fidel Castro's political prisoners, that one he was most nervous about was this prickly provincial schoolmaster who fought for him in the Sierra Maestra and had become one of the leaders of the rebel army by the time Fulgencio Batista, the Cuban dictator, fled.

Ten months after the victory. Mr. Matos, unhappy with the increasingly authoritarian style of the Castro regime, tried to resign. Instead of granting his request to return to teaching, Mr. Castro denounced him as a traitor, arrested him, and ran the trial that condemned him to 20 years in prison.

#### THIRD OF LIFE IN JAIL

Twenty years later—one third of his life—Mr. Matos was released, after a long international campaign on his behalf. He lives in the United States now, and spends his time writing and speaking on behalf of the political prisoners remaining in Cuba. He would like to unify whatever part of the Cuban exile community can be unified around the idea that prison punished and preserved in him: that Cuba needed drastic social changes but not a dictatorship.

He does not believe that the exiles can be a decisive factor in any future changes in Cuba. But he thinks they can encourage an eventual vast revulsion of the Cubans against the political system they live under.

He came here the other day to talk about his life in the Cuban revolution and his lifetime in its jails. This is his account.

Huber Matos worked with Fidel Castro for more than a year before he met him. When Mr. Castro landed with a small group in December 1956 and began operating in the Sierra Maestra, Huber Matos drove trucks into the foothills to supply him. Then he went to Costa Rica to get arms.

#### WARM WELCOME BY CASTRO

On March 30, 1958, he crash-landed by night in a small plane with 12 men and five tons of weapons aboard, in a mountain settlement. "Three hours later we were with Fidel," he recalled. "He was euphoric. He began rummaging through the crates trying out the different weapons, shooting them off into the air, as happy as a child and saying, 'Now we really will win the war.'"

The cordiality of this first meeting was marred when Mr. Castro insisted we go back to Costa Rica to get more arms. He insisted on staying. "Fidel said to me, 'Oh, so you want to fight.' And I said it wasn't a question of wanting to fight but of participating in the sacrifices. And furthermore—I said—I came leading a group of men. If they stay and I go I will be playing on ugly role and I

wasn't born to play such roles. I think he never forgot this."

Mr. Matos stayed. He was green but he turned into a tenacious and effective fighter, and within six months he had been given the rank of comandante, or major, and put in charge of a column.

As he recalls it, his relations with Mr. Castro were both close and distant. There is a quality of fierce literal-mindedness to Mr. Matos that rubbed against Mr. Castro's mixture of sweeping charm and evasiveness. By now, and with 20 years in prison to reflect on it, Mr. Matos sees in Fidel Castro's character the main explanation for the political course he came to take.

"The day after I arrived I saw him take one of his comandantes and humiliate him in the vilest language over some trivial mistake. I knew I would never accept such treatment. And one day, when I returned from a mission, he used language that I would call disrespectful. He was seeing how far he could go with me.

"I said I had not come for this, that I was a fighter and did not accept insults; and that rather than accept them I would turn in my weapon and go down to the foothills and grow vegetables for the revolution. I thought I would be arrested—I'd seen it happen to others—but no, he said nothing."

As for politics, Mr. Matos said he had no reason at the time to doubt that Mr. Castro's aims were similar to his own. "We'd spend the nights talking about things; and he always expressed himself as one determined to carry forward a democratic revolution. I had no doubts. He even used to warn us about the Communists. When I was organizing the column he told me to find ways to keep the Communists out of the key jobs."

#### A THIRST FOR POWER

Does he now think, in fact, that Mr. Castro was a convinced Communist all along?

"No. I think he was playing a double card. In my opinion, Fidel was not convinced of the virtues of Marxism-Leninism. He was a man who wanted power.

"If he finally chose the Communist alternative it was because if he'd taken the democratic road he would not have been able to remain 20 years in power. Temperamentally it would not have suited him. He doesn't like to be opposed, and he found himself better off in a Communist structure where the leader is a demigod.

"Even today I don't believe that he is a convinced Communist. Look at the Constitution. Do you recall that the day that the new Communist Constitution was proclaimed, he went to Moscow to attend the Soviet party congress? This is the man who talked about institutionalizing the revolution."

#### IN COMMAND OF PROVINCE

After the rebel victory, Mr. Matos was put in charge of the province of Camaguey, and remained in the vaguely defined top ranks of the revolution. It was the vagueness that began to bother him, he said; the fact that Fidel Castro centered all power in himself and took no steps to create a democratic structure.

In July he wrote to Mr. Castro that rather than aggravate divisions, he wanted to resign quietly and go back to teaching. "A few days afterwards he saw me in the Hotel Hilton and told me: 'Chico, there's no reason for you to leave. Keep on working; I need you. Look, if later on you still feel you must leave, then offer your resignation and we'll sit down and talk about it.'

"At that point I think he was sincere. So when things didn't improve and I wrote my last letter on Oct. 19 I didn't expect what would happen. Because until that day we

treated each other like brothers. It was impossible for me to conspire against him; and I felt that though I must leave I wouldn't go against him."

Mr. Castro wrote back agreeing to his resignation. But early the next day, the radio began broadcasting reports that Mr. Matos was leading the Camaguey garrison in an insurrection. Soon after, Camilo Cienfuegos, the army Chief of Staff, arrived in Camaguey with an order for his arrest. Major Cienfuegos, who died in a mysterious plane crash several days later, was a friend, and apologetic.

"When we got to headquarters Camilo realized that this was ridiculous; that there was no sign of an insurrection." Major Cienfuegos got on the phone to Osvaldo Dorticós, the President.

"Dorticós asked him to put Fidel on, and Camilo said he wasn't here, and then Dorticós told him to put Huber on. So I took the phone—everything was very polite though Ramiro Valdés, the security chief, was right beside me—and Dorticós said, 'Huber, what's happening? I told him Fidel was making a scandal because I tried to resign; and he said: 'We must stop this. It makes no sense.'

"Camilo went off to where Fidel was. The next thing I knew, Fidel rushed past me as if the Devil were after him, and went out to the balcony and addressed the crowd.

"He called me a traitor and said that I didn't have the guts to come out and face the people. So I told Camilo, 'You tell him I have lots to tell the people, and I want him to give me the chance.' So Camilo went and told him, 'Huber wants to speak too,' and when Fidel heard that, he ordered Ramiro to take me away immediately. They put me on a plane to Havana; and 20 of my officers insisted on coming along; they said if I was arrested so were they."

After the court-martial, Mr. Matos spent 20 years in half a dozen different prisons. For most of the time he was in solitary confinement; for one period of a year he was given no clothes and subsisted in his underwear.

#### THE WORST BEATING

He says that for the moment he does not want to disclose the full details of a treatment that ranged "from brutal to subhuman." He does say he received a number of beatings. The worst took place in 1973, when a dozen men, carrying lengths of cable, broke several of his ribs and tore a muscle loose from his left shoulder. This was after 14 years of imprisonment, and it illustrates what he says was the main horror of those 20 years: the total insecurity.

Mr. Matos's 20 years were marked by sudden and arbitrary violence, he says, and unexplained deprivations such as sudden transfer to a worse cell, solitary confinement, a ban on visitors, or violent and destructive searches.

The psychological and physical pressure over 20 years did nothing to gentle the prisoner's inveterate pugnacity. Shortly before the time for his release, security men came to take him from the East Havana prison to security headquarters. Mr. Matos immediately protested that this was against regulations, and went into a fighter's crouch. He was dragged out, violently beaten, and thrown into a car. On the way across town his escorts told him, he says, that he never would be released.

"Do you know what it means, if you've always thought you would die in prison, and after 20 years you are on the point of being freed, and you reason that if they beat you this way it means they have no intention of releasing you? And I thought, my wife will

be destroyed, hoping for 20 years that I'd be out."

#### HOW THE JAILING ENDED

Convinced he was to be killed, Mr. Matos said, he went into a kind of frenzy.

"They took me to the foreigners' cells. They are furnished nicely, so that foreigners will commend the prisons. But I was screaming and struggling, and so they threw me face-up on the bed.

"As soon as they took the handcuffs off, I jumped up and grabbed the chair to go at them, and they wrestled it away and retreated to the door, so I jumped up again and grabbed the table and smashed off two legs, and then I broke everything else that I could, even the light switches.

"And then I built myself a kind of parapet in the corner, using mattresses and furniture, and each time they tried to come in I had these two chair legs in my hands."

A senior officer came to try to persuade him that he really would be released and to urge him to quiet down and put on fresh clothes. A diplomatic mission from Costa Rica was coming to escort him, the officer said, and it was not fitting that he should be seen bloody, bruised and with his clothes torn to pieces. "If I look this way it is your fault," Mr. Matos says he told him. "But after a day and a night when nobody got any sleep I began to reflect it might be true, and I agreed to clean myself up." ●

#### EDMUND P. JUTEAU

#### HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. MITCHELL of New York. Mr. Speaker, last week, I commended to the attention of my colleagues the record of achievement of a member of my constituency, Mr. Edmund P. Juteau, a Vietnam veteran who served his country and his fellow veterans faithfully. I am saddened to report that Mr. Juteau died on Sunday, February 3, 1980, of cancer.

In his brief life, Mr. Juteau helped a great many people. I hope that his example, as a man unafraid to pursue his goals in spite of serious obstacles, will continue to help many people. I am sure that my colleagues will join me in sending our deepest sympathies to his survivors—his family, his friends, and his fellow veterans. ●

#### HOW MUCH OF AN ALLY IS THE UNITED STATES TO MOROCCO?

#### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. LAGOMARSINO. Mr. Speaker, in an article entitled "Arms for Morocco?" published in the most recent edition of Foreign Affairs magazine, chairman of the Africa Subcommittee STEPHEN SOLARZ questioned the wisdom of supplying new types of weapons to the Moroccan Government.

My colleague and good friend on the Foreign Affairs Committee ED DERWINSKI responded to Mr. SOLARZ' arti-

cle in a letter disagreeing with a number of his assertions. One point raised by Mr. DERWINSKI is especially worth emphasizing:

In my opinion, the problems confronting us in Iran and Afghanistan can be attributed, among other things to a global perception that we have become an undependable ally who no longer can be counted upon in the crunch.

I believe the comments made by Mr. DERWINSKI are worth considering, and I call to the attention of my colleagues his views on "Arms for Morocco":

HOUSE OF REPRESENTATIVES,

Washington, D.C., January 24, 1980.

HON. STEPHEN J. SOLARZ,

U.S. House of Representatives,  
Washington, D.C.

DEAR STEVE: Thank you for calling my attention to your article in Foreign Affairs magazine concerning U.S. arms sales to Morocco. You have analyzed a difficult question with your customary energy. I must disagree, however, with many of your conclusions. Given your reputation as this Congress most brilliant student of world affairs, I do so with considerable trepidation.

At the outset, I want to make it clear that I approve of a "globalist" approach to foreign policy. The way we respond to a situation in one area of the world does impact on events and nations elsewhere. How we treat our African friends is definitely noted by our NATO, Middle East and Persian Gulf allies and influences the formulation of their foreign policy equations. If, as you suggest, the Administration is finally recognizing this international fact of life with respect to its Western Sahara policy, I believe it's about time.

In my opinion, the problems confronting us in Iran and Afghanistan can be attributed, among other things, to a global perception that we have become an undependable ally who no longer can be counted upon in a crunch.

Steve, you seem to be concerned about the amount and type of equipment the Administration is contemplating selling Morocco. You appear to make a distinction between offensive and defensive weaponry. Frankly, I cannot see the difference. A weapon is a weapon, and the manner in which it is employed determines whether it is defensive or offensive. In view of recent Polisario incursions deep into Morocco, I think some of these so-called offensive weapons are needed to defend Morocco.

I gather the King and his military advisors left you with the unrealistic impression that with additional U.S. equipment they could win a "quick victory" in the Sahara. As I recall, you met with Hassan in August. Since then, he appears to have changed his mind as he stated during a subsequent interview about two months ago that he envisioned "a peaceful solution for the Sahara . . . I have my peace plan and I do believe that during 1980 we shall reach peace at the Sahara." The King went on to add that "If I made public my peace plan now it would achieve the wrong effect. First we have to gain our strongholds in the Sahara, and afterwards we can talk peace." In the same interview, Hassan also declared that "we shall not penetrate Algeria's territory to chase the Polisarios." Such temperate statements are consistent with the Administration's objective of encouraging the King to negotiate a settlement from a position of reasonable strength.

Your attempt to draw an analogy between our experience in Angola and what could happen in the Western Sahara just doesn't wash. You imply that we had little prospect for success if we had continued our assist-

ance to anti-Communist forces in Angola. At last report, Jonas Savimbi was still going strong, and if Congress hadn't terminated U.S. support, I believe we would now be dealing with a friendly government in Luanda rather than a Marxist regime that enjoys so little popular support it needs 20,000 Cuban troops to sustain it.

In addressing the self-determination question, you cite reports that the "Polisario is overwhelmingly based on the indigenous Western Saharan population." Given the nomadic history of the people we are talking about, I am very skeptical of such a conclusion. Does a nomad call any area his home? In this regard, I note press accounts that the Polisario army has in its ranks tribesmen from Mauritania, Algeria, Niger, and Mali. Does not that suggest less than overwhelming indigenous support for the Polisario, as well as the possibility of mercenaries clandestinely paid by the likes of Algeria, Libya, and perhaps even the U.S.S.R.?

Your revelation that Ethiopia was among those African governments that has recognized the Polisario is a blatant example of that Marxist regime's hypocrisy. I wonder how Mengistu would feel about a self-determination referendum in Eritrea. In my opinion, the Eritreans can make a much stronger historical claim for their autonomy than the Polisario, yet nobody in the OAU or UN seems to be focusing on that question. Knowing of your respect for the principle of self-determination, undoubtedly the African Subcommittee, which you chair, has already looked into the matter, hasn't it?

As to the 1975 UN Visiting Mission's findings on the Polisario, a word of caution is in order. Any organization that passes a resolution equating Zionism with racism warrants having anything it says subjected to severe scrutiny.

In discussing the political coloration of the Polisario, you point out that "Polisario leaders indicated that, in the context of an independent Saharan state, they would be inclined, for economic, cultural and geopolitical reasons, to look toward the West, not the East, for support. In fact, they are the only major liberation movement in Africa that has not received direct Soviet, Cuban or Chinese military assistance." The key word here is direct and I notice you were careful to use it.

The fact of the matter is, much of the Polisario's military equipment is of Soviet origin and has been transferred to the guerrillas from Algeria and Libya. Maybe that does not tell you anything but it does me. It reminds me of recent contentions that the Sandinistas in Nicaragua were not receiving any direct Cuban assistance, and, therefore, one should not rush to any conclusion as to the political orientation of the Nicaraguan regime.

In evaluating this arms sale to Morocco, what Morocco has done to protect and further the interests of the free world must be given weighty consideration. It is an impressive record and includes twice (1977-78) sending troops to Zaire to squash Cuban-backed insurgencies, as well as allowing the U.S. to maintain strategic air and naval communication facilities on Moroccan soil. In addition, we should bear in mind that King Hassan, who has been a longtime advocate of a peaceful settlement of the Arab-Israeli dispute, was the first Arab government leader to publicly support the Middle East peace initiatives.

We should also remember that the King is one of the few friends Sadat has in the Arab world, and was instrumental in bringing about Sadat's first visit to Jerusalem. And let's not forget the actions Hassan has taken to protect the security of Morocco's Jewish community. While I am aware of the occasion you mention when Morocco "acted

in ways that are not compatible with our regional concerns," you must admit that Hassan has taken more politically courageous pro-U.S. stands in recent years than any other Arab leader this side of Sadat.

To deny a valued and strategically located friend such a modest arms request would reveal that we have failed to heed the lessons of Iran and Afghanistan. I am confident all of us realize we cannot afford to send anymore of those kinds of signals.

Sincerely,

EDWARD J. DERWINSKI,  
Member of Congress. ●

### THE SURFACE TRANSPORTATION ACT OF 1980

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. HOWARD. Mr. Speaker, today I am introducing the Surface Transportation Act of 1980. This bill will make our highway and public mass transportation programs more responsive to demands for expanded and increasingly energy efficient transportation systems. Joining me in introducing this important legislation are the chairman of the full Committee on Public Works and Transportation, Mr. JOHNSON of California, the ranking minority member of the Subcommittee on Surface Transportation, Mr. SHUSTER, and several other Members of the House, primarily from the Committee on Public Works and Transportation.

Recent developments, at home and abroad, have created a national awareness of the need to promote energy conservation and reduce our Nations dependence on imported oil. Transportation is of singular importance in any conservation program because transportation consumes more than half of every barrel of crude oil used in this country. Encouraging greater energy efficiency in our transportation systems will make a tremendous contribution to our national petroleum conservation effort and thus help to create a more energy self-sufficient America. Reducing our dependence on imported oil also requires a marked increase in the domestic production of alternative energy sources. Increasing the production of alternative energy sources has a direct impact on the Nation's transportation system as well. The increased transportation of coal and other energy commodities creates the need for programs to preserve the roads used in energy transportation and reduce the adverse impact of increased truck and rail movements through our communities.

The goals of energy conservation and increased domestic energy production necessarily involve improvements in the efficiency of our transportation systems. We must expedite targeted investments in our public transportation systems and in highway facilities which support more efficient automobile use. We must rebuild and expand our existing public transportation systems in urban areas. We must

actively pursue programs to extend public transportation to our smaller urban and rural communities. We must support projects which will facilitate carpools, vanpools, and other high occupancy automobile solutions. We must preserve and improve our Nation's roads and highways and facilitate the transportation of energy commodities.

The Surface Transportation Act of 1980 is an important step toward achieving an energy self-sufficient America. It fosters the development of a transportation infrastructure in our urban and rural areas necessary to encourage the use of public transportation. It brings us closer to the goals of completing the Interstate Highway System while protecting the Federal investment in our existing system of public roads and it addresses the impact of the increased movement of energy commodities.

Energy efficient public transportation and an improved energy transportation network are necessary to strengthen our Nation's energy independence. I urge my fellow Members of Congress to support this bill which increases our commitment to these programs. The needs exist—in our urban and rural areas—on our highways and in our transit systems. We should act now to meet our present and future transportation and energy needs. To meet these needs we should utilize a source of funds which is appropriate for energy-related programs—the crude oil windfall profits tax. The direct energy impact of these programs makes the windfall profits tax the logical source of funding for the expenditures authorized in this bill. While there is still some uncertainty about the final form of the tax, its sponsors are all in agreement that a substantial portion of this new tax revenue should be devoted to increasing and encouraging efficiency in our transportation systems—the purpose of the Surface Transportation Act of 1980.

This bill contains two titles. Title I, the Federal-Aid Highway Act, and title II, the Federal Public Transportation Act of 1980.

Title I would make several changes in title 23, U.S. Code, it provides increased authorizations for the primary and secondary roads programs, the bridge program, and the interstate highway program. The bill increases the fiscal year 1982 authorizations for these programs by \$2.475 billion, \$1.275 billion above the fiscal year 1981 level. This represents a 17-percent increase, reversing the artificially decreased program levels previously authorized for fiscal year 1982 and allowing for needed program growth.

This bill also redefines the scope of the work remaining in the interstate highway program. This redefinition limits the items eligible under the definition of interstate construction. Items excluded from the interstate program are shifted to an expanded 3R program. The 3R program which

provides financial assistance for interstate resurfacing, restoration, and rehabilitation is amended to include major reconstruction of interstate segments. This new 4R program will greatly increase the funds available to restore and modernize completed interstate segments. These actions focus our efforts on completing unfinished portions of the Interstate System and establishing a comprehensive program to upgrade our Nation's system of interstate highways. Improving the condition of our Nation's highways reduces delays due to poor road conditions and greatly increases the efficiency of automobile travel.

In addition to changes in existing programs, title I authorizes two important new programs: the transportation systems management program and the energy-impacted roads and railroad crossing program.

The transportation systems management program broadens the existing traffic operations improvement program to include a range of energy conservation related traffic improvement projects. Funds authorized under this program would be apportioned annually by a formula to States. This program will encourage the more efficient use of our basic system of public roads.

The energy-impacted roads and railroad crossing program provides funds for the reconstruction, resurfacing, restoration, and rehabilitation of public roads used for transportation activities to meet national energy requirements and transportation projects to alleviate the environmental, social, and economic impacts of increased train traffic associated with the movement of energy commodities. This program is needed to alleviate the impact of increased transportation movements associated with the increased domestic production of alternative energy sources.

Other sections included in title I of this bill extend funds for car and van-pool programs, expand the emergency relief program, update the bridge replacement program's apportionment formula, increase and grant contract authority to the safer off-system roads program, and raise the Federal-aid highway obligations ceiling.

Although we cannot underestimate the importance of mass transit in petroleum import reduction, I do not want to concentrate energy conservation efforts in the public mass transportation area at the exclusion of the potential energy savings that will result from improvements in our highway programs. We must adopt a comprehensive approach which includes both highway and mass transit elements. I believe that substantial energy conservation benefits will result from the changes in the highway program included in this bill.

Title II of this bill would change sections of the Urban Mass Transportation Act of 1964. The main effect of title II is to increase the existing authorizations for mass transportation programs and extend authorizations

through fiscal year 1985. Title II provides an additional \$18.9 billion for the various programs during this period. Total authorizations for fiscal years 1981 through 1985 would be \$27.65 billion.

The largest increase in authorizations contained in this bill is an additional \$10.47 billion for the discretionary grant program. This increases the authorizations in the fiscal years 1981, 1982, and 1983 and extends the program through fiscal year 1985. The bill also earmarks part of the discretionary grant program for new system construction and the expansion of existing systems and reserves 5 percent of the program's funds for projects in areas under 200,000 in population. Cities throughout this Nation must develop and expand their transit systems with the aid of these substantial increases in the discretionary grant program. Our cities need these funds to construct and rehabilitate mass transit systems, purchase rolling stock and equipment, and build maintenance facilities. We must begin to expand our public mass transportation systems to meet the increasing demand for alternatives to automobile travel.

Title II also increases the formula grant program authorizations. An additional \$125 million is proposed for the urbanized area program in fiscal year 1982. This would bring the program to \$1.89 billion. Authorizations would increase 10 percent annually through fiscal year 1985. This program provides additional funds for operating assistance and bus purchases. Authorizations for the formula grant program in nonurbanized areas are also contained in this bill. The program level is increased by \$5 million creating a total program level of \$125 million in fiscal year 1982. This program would increase to \$185 million by fiscal year 1985. Increases in the non-urbanized formula grant program encourage the development of public transportation programs in our rural and small urban areas.

Another section of title II provides a framework for funding the interstate and intercity commuter trains scheduled to be dropped from the Amtrak system. However, this provision is not set in concrete and the committee may take a different approach depending on later input to the committee regarding the interstate and intercity rail passenger system.

Other changes included in title II of this bill include maintaining existing authorization levels for the intercity bus operating assistance and terminal development programs, continuing funding for university research centers and research and development programs, and retaining the current state and local maintenance of effort requirements.

Mr. Speaker, I believe that Congress must act to increase the efficiency of our highway and mass transportation systems because transportation efficiency is so necessary to an energy independent America. This bill increases

our commitment to energy efficient public transportation and streamlining our network of public roads. It is a vital part of a national effort to reduce our dependence on imported oil.

I believe that this bill has tremendous merit and meets a clearly demonstrated need. However, passage of this bill is practically fruitless without an assured source of additional funds to meet transportation energy conservation needs. It is essential that sufficient funds from the crude oil windfall profit tax are made available to improve the efficiency of our transportation systems. In closing, I urge my fellow Members of Congress to support this bill, and to make sure that a substantial portion of the revenue generated by the windfall profits tax is committed to transportation systems efficiency. Without such a commitment the scope and content of this legislation's contribution to surface transportation energy efficiency cannot be assured.

Although this legislation authorizes major long-range increases in the mass transit and highway programs, the Committee on Public Works and Transportation continues to support the concept of a dedicated trust fund for public transportation capital projects and for energy-related improvements to the highway system as presented in title III of H.R. 6207. We believe that a trust fund or similar dedicated fund mechanism is the most responsible method of funding these projects.●

#### THE HONEY POT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. MICHEL. Mr. Speaker, history may well record that the hidden story of the past 20 years—hidden from our eyes but apparent to those who will come after us—is the gradual but inexorable growth of Federal Government control over American education.

Syndicated Columnist Richard Reeves has recently written about a new educational phenomenon: The purchase of airplanes by universities to fly school officials back and forth from the college to Washington, D.C., where the "honey pot" of tax dollars awaits them. Reeves quite correctly sees in this new trend the seeds of future development along the same lines. In years to come it will be the Government which will decide what is "relevant" and what is "irrelevant" in college courses, because Government—the "honey pot"—will not only pay the bill but give the orders as well.

At this time, I wish to insert in the Record, "Takeover of the Colleges," by Richard Reeves, from the Chicago Sun Times, February 4, 1980:

## TAKEOVER OF THE COLLEGES

WASHINGTON.—“The 1981 budget includes a \$15.5 billion allocation for the new Department of Education,” President Carter said in his budget message to Congress last Monday. “The establishment of this department will require a great deal of effort in the short run, but it will give our system of education the consistent attention and high priority it deserves.”

Coincidentally, that day's Washington Post reported that some people at Ohio State University are seriously proposing that the university buy its own airplane to transport school officials back and forth between Columbus and Washington. It seems that every Monday, 30 or so university bureaucrats and professors are on the morning flight to the nation's capital on business concerned with the \$63 million a year Ohio State gets from the federal government.

Checking a couple of other “private” schools, it turns out that Princeton University gets \$41 million of its \$100 million annual budget from Washington and 45 percent of Princeton's students are receiving federal aid. The University of Miami gets \$60 million from Washington, a third of its budget.

Derek Bok, the president of Harvard, told me recently that his school gets about 25 percent of its total revenue from Washington. He said he spends “10 percent or more” of his time dealing with the federal government, federal regulations or federal aid.

We take all this for granted—the loans to students, money for research and restrictions on research, quotas by any name—but the controlling federal presence on campus is really new. Or, at least, it is exploding in size and scope. We are watching the federal takeover of higher education.

When Bok became president of Harvard eight years ago, he said, he spent no time on federal concerns, leaving that to one assistant in his office who spent about five hours a week dealing with Washington. Today, there are four full-time people in his office concerned with nothing but the federal government. And, Harvard is one of 100 universities maintaining full-time offices in the capital.

What do those off-campus offices do? “Our job is to make sure that the honeypots are there and that they are well-filled,” said Peter Goldschmidt, the University of California's man in Washington.

So it goes. We are all in on it. Buzzing around the big honeypot. And getting stuck.

“Our graduate program is totally dependent on federal money,” said a chemistry professor at a major Catholic university. “Almost all the research here is federally financed, and the laws have been changed so that everything we do has to be ‘relevant to society's needs.’”

Who decides what is relevant?

“The government. In my department, the work is controlled by a ladder of bureaucrats leading up to the secretary of defense. But it doesn't have to be defense. Everybody is working under some set of specifications from Washington. A lot of us don't do what we want to do. We do what the government will pay for.”

Most of this has happened in the last 10 years. In another 10 years Ohio State will have its own airplane, and so will a lot of other “state” and “private” universities. Their people will be jetting back and forth to Washington to get their honey—and their orders.●

## TRIBUTE TO FATHER JOHN R. GALLAGHER

## HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. TAUKE. Mr. Speaker, today marks the silver jubilee of the ordination of the priesthood of Father John R. Gallagher, a man I am honored to call a friend.

I first became acquainted with Father Gallagher when I attended grade school at Nativity School in Dubuque, Iowa. Father Gallagher was an assistant pastor, the coach for every sport, and the school's most feared disciplinarian. At 6 feet 4 inches, he was a giant—a giant of a man in every respect, a priest we admired and loved.

Father Gallagher is truly an exceptional individual. He was born in Mineral Point, Wis., in 1929, the son of Mr. and Mrs. R. J. Gallagher. He attended Loras College and Mount St. Bernard Seminary in my hometown of Dubuque, Iowa, and was ordained 25 years ago in Christ the King Chapel at Loras College, my alma mater, by Most Rev. Leo J. Binz.

Since his ordination, Father Gallagher has served as associate pastor to parishes in Ames, Cedar Rapids, Charles City, Dubuque, Spencer Grove, Urbana, Walker, and Waterloo; and as the pastor of Jesup and Marion, Iowa. He is presently the pastor of St. Joseph's Church in Marion.

Father Gallagher served as chairman of the Clergy Conference Planning Commission in 1971, and has been a member of the board of regents of Loras College since 1973. Currently, he is the vice chairman of that board. And—perhaps of the most inspiration—is the fact that Father Gallagher was the sparkplug behind Camp Courageous, one of the great humanitarian projects in northeast Iowa. Camp Courageous serves the retarded and handicapped young people of Monticello, Iowa.

I know I speak for many, many people when I thank Father Gallagher for all that he has done and indicate that I am now looking forward to his golden jubilee.●

## OUR FOREIGN POLICY ILLUSIONS

## HON. RICHARD KELLY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. KELLY. Mr. Speaker, throughout the ages—and most notably during this century—history has taught that peace is more akin to strength than to weakness. Reasonable commonsense and prudence—guided by a steadfast and righteous conviction—require that any political strategy, the objective of which is to guarantee peace and secu-

rity, must maintain the state's power in peacetime.

In the late 1930's, Winston Churchill, warning an appeasement-minded England that a determined and growing Nazi war machine would lay Europe in ruins, expressed the principle in the following way:

Virtuous motives, trampled by inertia and timidity, are no match for armed and resolute wickedness. A sincere love of peace is no excuse for muddling hundreds of millions of humble folk into total war. The cheers of weak, well-meaning assemblies soon cease to echo, and their votes soon cease to count. Doom marches on.

The failure to pay heed to this warning led, relentlessly, to the untold suffering of a world that laid in ruin and ashes—burying a reported 30 to 50 million of its people.

Since the end of the Second World War, America—like England throughout the 1930's—has found it difficult to exercise power in peacetime. As George C. Marshall, architect of our Nation's victory in World War II and champion of the peace as Secretary of State under President Truman, has said:

We have tried since the birth of our Nation to promote our love of peace by a display of weakness. This course has failed us utterly.

At no time in our history has this been more true than during the past few years—and most notably during the past 3 years. Beginning with the U.S. defeat in Vietnam, the lack of U.S. support for Angola, and the U.S. acceptance of Soviet numerical superiority in SALT I, there has been an escalating kaleidoscope of events inimical to American interests: Soviet troops in Cuba; Soviet and Cuban support of Ethiopia against Somalia; the Communist coup in Afghanistan and South Yemen; Vietnam's invasion of Cambodia; the massive buildup of Soviet conventional and strategic arms given international acceptance through U.S. behavior and codified in SALT II; the Shah's overthrow in Iran; the dramatic seizure of the American Embassy and the holding of hostages in Iran; the burning of the U.S. Embassy in Pakistan; the increasing uncertainty of events in Saudi Arabia; the increasing destabilization of Rhodesia and South Africa; the attacking of the U.S. Embassy in Libya by pro-Iranian demonstrators; the guerrilla drive from the Western Sahara against the King's troops in Morocco aimed at dominating the narrow waters opposite Gibraltar; the Soviet invasion of Afghanistan and the massing of Soviet troops on the Pakistan and Iranian border; and the general destabilization of pro-Western governments throughout the Middle East region.

Mr. Speaker, these events—and others around the globe—point to one incontrovertible fact: The world's balance of power has shifted on so clearly projected a scale that unless the United States takes immediate and dramatic steps to reverse the trend,

the present military and strategic condition will settle into a permanence which we cannot conceive as acceptable.

Against this background, I would like to direct the attention of my colleagues in the U.S. House of Representatives to an article appearing in the Wall Street Journal, February 4, 1980, entitled "Our Foreign Policy Illusions" by Irving Kristol, professor of social thought at the New York University Graduate School of Business and a senior fellow of the American Enterprise Institute. Mr. Kristol analyzes some of the basic ideas and preconceptions underlying the conduct of American foreign policy—that the United States is naive, sentimental, legalistic, impulsive, short on memory, and fundamentally unaware of the kind of world in which we live. Quite rightly, he points out that henceforth our ability to survive as a free and independent nation will be contingent upon how well the United States can overcome these limitations and exercise its power during times of relative peace. As he says, the United States must accept the real world as it is.

It is a world ordered by military force and by the willingness to use that force when circumstances require. Whoever does not have such force, or is overly reluctant to use it, ends up living in a world that has been ordered by someone else . . . . It would be ironic—but an irony that history is only too familiar with—if our very reluctance to use our power while we have it resulted in a holocaust that might have been avoided had we been less "peace-loving." As a matter of fact, wasn't it something like this that happened to Britain and France in the 1930's?

I enthusiastically commend the article to my colleagues as follows:

[From the Wall Street Journal, Feb. 4, 1980]

OUR FOREIGN POLICY ILLUSIONS  
(By Irving Kristol)

Just because you have ceased to see reality through the distorting lens of a particular ideology, it doesn't mean that you are now able to see it clearly. You may simply be substituting a weak and wavering vision for a clear if false one.

I am, in this connection, thinking of President Carter's new approach to foreign policy. Though it is obviously superior to the old, in that it is not based on patently false ideological assumptions, it may nevertheless be a dangerously inadequate approach. There is an air of improvisation about it, a desperate reaching for the *ad hoc* response to the exigencies of the immediate situation.

The myths of "detente," of a "North-South dialogue," of an American-led crusade for universal "human rights"—all these are in tatters. But bits and pieces of this ideology still float freely and visibly, if semi-submerged, in the thinking of the White House, the State Department and the National Security Council. They have now been oddly coupled, however, with other bits and pieces of ideological wreckage that the administration has grabbed onto—remnants of the Acheson-Dulles approach of "containing" Communist aggression by means of a complex patchwork of alliances with highly unstable nations.

Yet this older approach gradually crumbled before its moments of truth—in Vietnam above all. (Of what use was SEATO

then?) It is hard to see how it can be truly revived. We seem to be in the process of wedding yesterday's dead illusions to yesterday's. Only strange and barren fruit can issue from such a union.

REPUBLICAN INSTINCT

I do not say this in any partisan or capricious spirit. If we had had a Republican administration in office this past year, I do think we might have managed our affairs somewhat better—but only "might have," and only somewhat and only temporarily. Republicans don't really *think* much about foreign policy. They tend to be guided more by nationalist instinct, and such instinct is generally less treacherous than false preconceptions.

Still, instinct is not enough, as the record reveals. As for John Foster Dulles' record, the less said the better. He, more than anyone else, may be held responsible for the Middle East chaos of the past two decades.

The trouble with instinct, aside from the fact that it might propel you to an inappropriate or downright wrong response, is that it has no staying power. Even the right decision, if based solely on instinct, will gradually fade into a diminishing series of random, ineffectual decisions. Doing the right thing, whether it be for the wrong reason or for no reason at all, is surely to be preferred over doing the wrong thing for the wrong reasons. But in the end a foreign policy, if it is to be successful, has to be coherent—it has to consist, more often than not, of doing the right thing for the right reason. And, with the possible exception of the administrations of Theodore Roosevelt, the United States hasn't had such a foreign policy since the days of the Founding Fathers.

One does not wish to exaggerate the importance of ideas in the realm of foreign policy. To a very large degree, makers of foreign policy are constantly being made captive to unexpected events, and the notion that Presidents or Secretaries of State should somehow be able to anticipate all crises, and are to be blamed for failing to do so, is preposterous. Professors or Congressmen or Journalists, who talk this way ought to be sentenced to investing all of their capital in commodity futures. They would quickly learn how important a role luck plays in the world's affairs, and how even the most sophisticated analyses collapse before the onrush of events over which *no one* has any control. In foreign affairs, *no one* of the time, you are flying blind, in the sense that no one can possibly figure out all the consequences of everyone else's actions—or even of one's own.

Nevertheless, some pilots are better than others when it comes to flying blind. It is a matter of experience, character and a whole set of general principles and ideas—which, in turn, form attitudes and instincts—about the relation of one thing to another. It goes without saying that a skillful pilot must have no sentimental illusions about the nature of the elements he is coping with, or a naive faith in the instruments he employs to cope with them. Above all, he must remember what country he is in, and what the likely terrain is.

The conduct of American foreign policy has long been plagued by all of the attitudes, underlying ideas and preconceptions which one would *not* want to find in the pilot of such a plane. We are naive; we are sentimental; we are legalistic; we are impulsive; our memories are short; and, above all, we have the greatest difficulty keeping in mind what world we are in.

It is a world ordered by military force and by the willingness to use that force when circumstances require. Whoever does not have such force, or is overly reluctant to use it, ends up living in a world that has been

ordered by someone else. The advent of nuclear armaments has not really changed the nature of this world. Those armaments have the purpose of deterring one's enemies from using such weapons in the first place. This deterrence having been achieved, we are back to conventional power politics, with conventional arms.

But Americans are taught to believe that power politics is un-American, because immoral, and that the use of force in international affairs ought to be, and can be, replaced by the rule of law—or even by the rule of love, if some official statements are to be believed. It is this naive utopianism that has plagued American foreign policy for three-quarters of a century now. We believe that, in the end, the nations of the world must admire us for what we are, and for the nice things we are always ready to do for them. But the world is full of nations that detest us precisely for what we are—free, democratic, capitalist—and are much more interested in what they might do to us than in what we can do for them. And even those who have no hostile feelings toward us will not be reliable allies unless they also respect us—perhaps even fear us a little. The "hearts and minds" of the world go out to winners, not to nice guys who finish second.

One frequently gets the impression that American statesmen regard other nations the way sentimental criminologists regard a juvenile delinquent—someone to be "rehabilitated" by patient, compassionate therapy. That was the idea behind "detente": As the Soviets "matured" by virtue of closer association with us, they would be more like us, less like themselves. That was the idea, too, behind our foreign-aid programs, and our support of the United Nations. Well, it hasn't worked with our juvenile delinquents, and it won't work in the case of nations who do not for a moment think of themselves as in any sense "delinquent."

The foreign policy of the United States ought to have as its central purpose a world order that has been shaped, to the largest degree possible, in accord with our national interests as a great power that is free, democratic and capitalist. To be sure, this might mean living in an uneasy truce, and for an indefinite period of time, with the Soviet Union and other nations that are in principle hostile to freedom, democracy or capitalism. But we should use our power, as they use their power, to see that the terms of this truce, which are always in flux, are as consistently to our net advantages as circumstances permit.

I do not see that the Carter administration—or even its critics, for that matter have moved toward any such clear conception of our national interest, or of the role of power politics in expressing that interest. Instead, we have responded to the Soviet aggression in Afghanistan by economic and cultural reactions that are signs of weakness, not strength. Simultaneously, our diplomacy is reverting, as if by automatic reflex, to the defensive "pactomania" of the 1950s—a jumble of defensive alliances with highly unreliable allies.

Thus, we are sending arms to Pakistan—a shaky regime incapable of using those arms effectively. It is also a regime that praises the Ayatollah Khomeini and is engaged in creating an "Islamic nuclear bomb" financed by the lunatic rules of Libya, Colonel Khadafy, who will presumably take delivery. At the same time, we are going around the Indian Ocean with a begging bowl, humbly asking for permission to establish naval and air bases in the area. How pathetic! Why aren't we *demanding* bases in Pakistan (or South Yemen or Saudi Arabia) as a condition of support? Indeed, why

aren't we demanding bases on pain of our hostility?

We don't need any more "paper allies," for whose inept regimes we then take responsibility. Just think how much better off we would be in Iran if, as a condition for selling the Shah all those arms, we had insisted on bases in the Straits of Hormuz, instead of trying to build him up as the defender of our interests in that region.

#### CUBAN CONTEMPT

Meanwhile, in our very own backyard, Cuba blithely supports insurrectionary movements throughout Latin America, sends troops to Africa and the Middle East and generally behaves as if it holds our interests and our power in utter contempt. Are we helpless before such belligerency by Castro's Cuba? And if we are, how on earth can we be strong in Pakistan?

It will be said that any such American behavior would mar our image (and self-image) as a peace-loving nation. But the way things are heading, we shall awaken one of these days and discover that we can no longer afford to be such a peace-loving nation. As the late G. F. Hudson wrote:

"There is perhaps no factor which drives a state into war so inexorably as a steady loss of relative power. Sooner or later a desperate now-or-never mood overcomes the calculations of prudence. . . ."

It would be ironic—but an irony that history is only too familiar with—if our very reluctance to use our power while we have it resulted in a holocaust that might have been avoided had we been less "peace-loving." As a matter of fact, wasn't it something like this that happened to Britain and France in the 1930s?●

#### YELLOW RIBBON FOR HOSTAGES

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. CAMPBELL. Mr. Speaker, WFBC television station in Greenville, S.C., has embarked on a campaign which I believe we would all be well advised to join. As our hostages ordeal in Iran stretches toward 100 days; as other national and international crises are replacing Iran on front pages and television news; as the outrage Americans felt so strongly 3 months ago begins to wane, simply through emotional exhaustion, it is important to do everything we can to keep the hostages in our minds and prayers—and to let the hostages know of our continued concern.

WFBC has initiated a public awareness campaign designed to do just that. They are undertaking a comprehensive public service announcement, editorial and news campaign and, on a more personal level, have tied a "yellow ribbon" around an "old oak tree" on their premises and are encouraging station personnel to write to the hostages and wear their own yellow ribbons each day during this period of strife.

Mr. Speaker, WFBC is to be commended for this initiative. My staff

and I have joined their "yellow ribbon" effort, and I urge other Members and staffs to participate. WFBC has offered to provide personal yellow ribbons and preaddressed post cards for those who are interested and I will be happy to coordinate your request.

WFBC's kickoff editorial follows, and I commend it to my colleagues attention.

#### YELLOW RIBBON FOR HOSTAGES

During the Vietnam War days, many of us wore identification bracelets as a daily reminder of the POW's and the MIA's and their sacrifice for their country and the cause of freedom.

In recent times, many of us have sent Christmas cards and words of encouragement to the hostages in Iran. But as the days of imprisonment drag on, and Christmas is behind us, the hostages and their perilous situation are too often forgotten. Now, with the escape of several Americans by means of Canadian help, the hostages may be facing increasing hardships.

We'd like to make a suggestion: Remember the old song, "Tie a yellow ribbon 'round the old oak tree"? We'd like to urge everyone to do just that. And also wear a small piece of yellow ribbon each day until the hostages are safely home.

In this way, we will be keeping them and their families in our thoughts and prayers daily. It may be only a small gesture, but one we think is meaningful and significant. If you don't have a bit of yellow ribbon handy, we invite you to come by the studios of Your Friend Four. We'll be pleased to give you some ribbon, and also the address of the hostages, if you'd like to write them.

Join us, won't you: The hostages and their plight should be remembered in a continuing way.

That's our opinion \* \* \* What's yours?●

#### CHILE SUPPORTS AMERICAN ACTIONS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. LAGOMARSINO. Mr. Speaker, whenever the subject of Chile comes before this body, it seems to be for the purpose of condemnation or accusation.

I believe, however, we should also recognize praiseworthy actions by Chile. In this case the Chilean Olympic Committee has decided not to attend the Olympic games in Moscow. President Pinochet had recommended to the committee that Chilean athletes not attend, and the Olympic Committee agreed.

There has been little reason in recent years for the Chilean Government to join with the United States in its foreign policy initiatives. In this case, Chile has overlooked past events and ratified its support of American action in response to the Soviet invasion of Afghanistan.●

#### TRIBUTE TO FATHER JOSEPH P. HERARD

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. TAUKE. Mr. Speaker, this Thursday, when I participate in the assembly at Wahlert High School in Dubuque, Iowa, to commemorate National Catholic Education Week, a special tribute will be in order for Father Joseph P. Herard. Father Herard, who is the executive coordinator-principal of Wahlert High School, will observe his 25th year in the priesthood the following Sunday with a mass of thanksgiving at St. Anthony's Church.

A recent article in the Witness summarizes some of the highlights of this fine man's life. I ask unanimous consent that the text of this article be inserted in the CONGRESSIONAL RECORD immediately following my remarks:

#### FATHER HERARD

Rev. Joseph P. Herard, Executive Coordinator-Principal of Wahlert High School, Dubuque will observe his silver jubilee with a Mass of Thanksgiving at St. Anthony's, Sunday, Feb. 10 at 2 p.m. A reception will follow in the parish hall.

Born in Cascade, Iowa on July 23, 1929, Fr. Herard attended Loras College and Mt. St. Bernard Seminary in Dubuque. Son of Mr. and Mrs. Joseph C. Herard, he was ordained on Feb. 5, 1955 in Christ the King Chapel by the Most Rev. Leo Bine.

After serving as secretary to Archbishop Henry Rohlfman and associate pastor in New Hampton, he was appointed to Loras Academy. From 1959 to 1961 he took postgraduate studies at Catholic University in Washington.

He was appointed Archdiocesan Director of Vocations and Director of Archdiocesan Council of Catholic Youth during which time he served as Chaplain at Holy Family Hall. He worked in the National Office of Extension Society, Chicago, for one year. In 1967 he became Director of Religious Education under Bishop Loras J. Watters. He served also as spiritual moderator of the ACCW, Director of the Confraternity of Christian Doctrine as well as Chaplain of St. Francis Home until his present position began in 1975.●

#### WILL THE REAL BUDGET PLEASE COME UP?

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. REGULA. Mr. Speaker, I recently spoke to this body on the topic of the latest budget estimate for 1980. I pointed out that the 1980 budget, as it now stands, is substantially above the 1979 budget. Specifically, estimated outlays are now \$32 billion higher than 1 year ago when first proposed. In like manner, the deficit increases \$11 billion, and would be worse if it weren't for windfall tax revenues. These increases mean that, for the third time in 5 years, Congress will have to consider a third budget resolution. The fact that budget authority—

which drives present and future spending—increases more than 17 percent from 1979 to 1980 is equally alarming. The distinguished chairman of the Senate Budget Committee, Mr. MUSKIE, has stated that \$10 billion can be added to the President's latest 1980 estimates immediately. In our first hearing this year, my distinguished chairman, and others on the House Budget Committee used the same \$10 billion figure. This means that, for starters, the 1980 deficit now stands at \$50 billion, rather than the \$29 billion in President Carter's original 1980 budget proposal.

Let me now turn to the 1981 budget as submitted by the President this week. There is reason for the initial skepticism on the part of both Budget Committees. I hesitate to use the term "phoney," but at best this budget is more political than honest.

Any President has a right—indeed ought—to send the Congress a budget based on what he or she wants in terms of fiscal policy and programs. But Mr. Carter can only identify less than 1 percent—\$5.6 billion—of the budget in savings from current law. Regardless of the amount of assumed legislative savings, this Congress has a dismal record on enacting legislative savings, whether recommended by the President or initiated on its own. It is quite safe, therefore, to add another \$5 billion to the deficit because of the unlikelihood of realizing even these meager legislative savings.

In addition to the \$5.6 billion in assumed legislative savings on the spending side of the budget, the President is also counting on increasing tax revenues by \$4.5 billion in 1981, \$5.6 billion in 1982, and \$2.2 billion in 1983. The problem for the President is that not all of these tax increases can be done by administrative action. Whatever increases are realized in 1981, they, along with the record new social security and oil excise taxes, will contribute to the highest peacetime tax burden ever—21.7 percent of GNP. In 1982, also according to the Carter budget, the tax burden will set an all-time record—22.2 percent—and that record falls again the following year as the new record will become 22.7 percent. Lest you think that these percent changes are small, bear in mind that in a \$3 trillion economy, a change of one-tenth of 1 percent in the tax burden amounts to a change in tax revenues of \$3 billion.

Add another \$4.5 billion to the 1981 deficit, because that is the figure announced by the Department of Defense last Friday, before the budget was submitted, as an added fuel cost. This number is not in the budget, and neither is a companion \$3.5 billion for 1980.

Because this is an election year, we can also count on substantial nondefense supplementals not included in this budget. I suspect that these will be directed at traditional Democratic constituencies and will consist of the

same programs which have proved helpful politically and so wasteful economically. For example, countercyclical and targeted fiscal assistance—more appropriately termed "targeted political assistance"—quadruple to \$1 billion in 1981.

If we examine all of Carter's nondefense proposals—see complete list, table 14 beginning on p. 590 of the budget—the spending explosion becomes apparent. In 1981, the cost of these proposals are estimated to be \$26 billion in budget authority and \$20 billion in actual spending; but by 1985, these programs triple in budget authority—\$77 billion—and nearly quadruple in outlays—\$76 billion. The administration is trying to convince the American public that the budget contains a few relatively inconsequential initiatives and that the budget is constrained. These numbers speak in direct contradiction to these numbers.

It is not difficult to cite other specific examples of why this budget is unrealistic, if not phoney:

Only \$2 billion was put in the 1980 estimates and only \$800 million in the 1981 estimates for the cost of the Russian grain embargo, yet analysis say the cost will be around \$4 billion;

One of the most blatant gimmicks used in this budget is to delay the sale of loans and other financial assets. This means that loans and other financial assets that would have been sold in 1980 are now said to be planned for sale in 1981 rather than 1980. Playing with mirrors in this way causes the 1981 numbers to look better—lower outlays and deficits—in the amount of about \$3 billion.

Another source of deception in the budget is the alarming increase in the outlays and deficit of off-budget Federal activities, which are excluded by law from budget totals. In President Ford's budget, the off-budget deficits were put right up front with the unified budget's deficit, but in each of President Carter's budgets, the off-budget deficits are relegated to the bowels of the budget tomes. The 1980 off-budget deficit is now estimated to be the largest ever—\$16.8 billion—and the 1981 off-budget deficit is now estimated—and I emphasize the "now"—at \$18.1 billion, which is more than the advertised unified budget's deficit, for the first time ever. If history repeats, look for the off-budget deficits to rise, smack in the face of the new, but obviously inconsequential, Federal credit monitoring system.

The other night on the "Tonight Show," host Johnny Carson said that there was good news and there was bad news. The bad news was that the Carter administration was predicting a recession; the good news was that they haven't been right yet. I am not so sure we will have a recession this year, and I believe if we do, it will be mild and with relatively low unemployment. It is ironic that our present levels of relatively high employment and low productivity have been

achieved in part because of high energy prices, as industry shifts to more labor-intensive production mixes, and to Democrat inspired Government jobs programs which fail to produce permanent and productive private sector jobs. Yet, in this budget we not only see a continuation of expensive—because of substitution—inefficient, and ineffective programs, but also a new job program. At a time when demographic trends are indicating fewer youthful job market entrants, the administration is arguing demographics as the main reason for a new youth job program. Economic logic would argue that the demographics fall to point toward such a program. I suggest that there is no distinction between altruism and constituency politics at the other end of Pennsylvania Avenue.

There is also no small deception in the President's revenue sharing proposal. This Republican-inspired program has been praised by States and localities for its traditional no-strings character. If you want to read the ultimate in budget policy prose, look at page 304 of your budget, where you'll read what is really intended for this program:

To address this problem and to strengthen the fiscal partnership among all levels of government, revenue sharing payments to the States would be contingent upon their cooperation in a participatory process designed to identify and promote necessary changes to achieve a balancing of fiscal resources and service responsibilities among the governments of each State. To commence this process, each State would establish a broadly-based independent commission to assess disparities in access to fiscal resources of the governments within the State, to identify major problems, and to make appropriate recommendation for change. The commissions would also assess the fiscal management practices and make recommendations for improvements. States would be expected to act on these recommendations (emphasis added).

My reading of this clever language is that the administration intends to make general revenue sharing into a major vehicle for forcing States to reallocate their income and wealth.

One way to gage the reality of the budget is to look at historic trends. In this budget, one fact in particular stands out; budget authority, which is what drives spending, increases 17 percent from 1979 to 1980, is a continuation of an alarming trend in which budget authority growth rates have consistently exceeded outlay—actual spending—growth rates. Now, we are asked to believe that budget authority will grow only 6 percent from 1980 to 1981. Even recognizing that a lot of spending has been dumped on the 1980 books, there is little believability in the 1981 budget authority in the President's budget. I wish it was believable.

Another telling deception in this budget is the absence of an allowance for a badly needed tax cut. Granted, a tax cut will exacerbate the deficit in

the short run, but the toll that inflation is taking in the form of increased taxes is tragic and must be addressed. Double-digit inflation has provided the Government with windfall tax revenues at the expense of the taxpayers who were promised only a few years ago by candidate Carter that he "would never increase the taxes for the working people of our country." You may want to keep this in mind later this year, when the President and congressional Democrats begin falling over themselves to argue for a tax cut.

In conclusion, I have tried to make a case that the President's budget is more of a political instrument than a statement of intended fiscal policy. As the budget numbers change throughout the current fiscal year, I suspect that I will not be alone in calling this to the attention of the American people.●

### NIGERIA'S CONSTITUTIONAL GOVERNMENT

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1980

● Mr. CARTER. Mr. Speaker, from January 5 to 17, I had the honor and privilege of accompanying Majority Leader JIM WRIGHT on an extremely informative trip to several countries in Africa and to Saudi Arabia.

One of the countries our delegation visited was Nigeria which only recently adopted a U.S.-style constitutional form of government and elected a house of representatives and a senate patterned after our own.

We paid a call on the Nigerian National Assembly and met with Senate Majority Leader Sola Saraki and Deputy Speaker of the House of Representatives Idris Ibrahim.

While we visited their Senate, proceedings were suspended and we had a chance to meet with the Senators on the floor of their Chamber. Afterward, the Senate reconvened and a resolution was passed inviting JIM WRIGHT to address the Senate on behalf of our delegation.

Our colleague from Texas is well-known and admired in this body for his considerable oratory skill. May I submit that he is at least as equally acclaimed in the Nigerian Senate now on the basis of the superb extemporaneous remarks which he offered.

I would like to include for the RECORD a portion of the transcript from the National Assembly debates on January 7 containing our majority leader's comments:

VISIT OF AMERICAN CONGRESSMEN

The President: Before we come back to

this debate which seems to generate a lot of interest, I wish to refer distinguished Senators to Section 61 of the Standing Orders; Under that section, I shall beg leave of the Senate to suspend sitting for the next ten minutes in order to invite our distinguished colleagues from the United States of America for a few minutes' chat with us here. Is that the wish of the Senate?

Several Senators: Yes.

Sitting suspended: 4:00 p.m.

Sitting resumed: 4:20 p.m.

The President: Order! Order! Order! I have a request that the Senate do grant distinguished Senator Wright, Leader of the United States' delegation, permission to say a few words to the Nigerian Senate. Is it the wish of the Senate?

Several Senators: Yes.

The President: The visitor may come in. (Senator Wright enters).

Distinguished Senator Wright from the United States, you are welcome to the Nigerian Senate. Your Colleagues here in Nigeria welcome you and your delegation and have asked me to express their sincere thanks to you for coming along to see what we are doing here and have given permission that you could say a word or two if you wish.

Senator Wright: Mr. President, thank you very much. On behalf of our President, Jimmy Carter, and on behalf of our country and the delegation which has come to see the grand work you are doing here in this great nation of Nigeria, we express our appreciation for the graciousness of your hospitality. It is a pleasure for us to be here to see the thriving, living embodiment of democracy, renewed and revived in this, most populous country of Africa.

It is a personal pleasure for those of us who are privileged to represent our Congress on this occasion to greet you as inheritors and standard bearers of the noblest traditions of free men and women everywhere, to salute you as fellow legislators and law makers, rulers of nothing but self, indeed like us the servants of your native land, and to embrace you as brothers in the struggle for the freedom, equality and dignity of all men and women everywhere.

We are ourselves deeply impressed with the success you have achieved and political stability only thirteen years after the trials and difficulties of your civil war which tore you asunder. We remember that it took us many years to survive and heal the wounds of our civil war in our own nation. But that war, in the words of President Lincoln, needs must come as a woe to those whose Lash has drawn blood. President Lincoln in the darkest days of that war, calling upon the people of the North and of the South jointly to forgive and to love one another and to reunite in nationhood, said: Yet, if God wills that it continue until all the wealth piled by the bondsman's two hundred and fifty years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as was said three thousand years ago, so still it must be said, "The judgements of the Lord are true and righteous altogether."

Those were the words of our great emancipator. What a tragedy that he whose birthday we shall celebrate in one month was not privileged to live to see the reunification of our country. We are ourselves pleased and gratified that in the maturing of your political institutions, you have seen fit to trust

the people with power and in looking about for a model upon which to pattern your political institutions you have chosen to look to us.

We know that we are far from perfect even yet; we have committed errors, we have not achieved all the grand dreams and hopes and aspirations that our founders launched but to which we aspire. But in our imperfect way as, mortal human creatures in a legislative body which is the mirror of our nation, reflecting and distilling its vices as well as its virtues and its weakness as well as its strengths, we nevertheless have been able to make steady progress in the democratic society for 200 years. We hope that 200 years from now this great Assembly of freely chosen servants of the people of Nigeria will still stand and shine forth as a beacon to the world. We believe in free political institutions and the philosophy of the public servant reflecting the will of the people and in the belief of equality and dignity of all human kind, and we hope that your inspiration and your example, pursuant to these grand ideals that you have espoused in the creation of this great democracy, shall help in lighting the way to that time promised road.

We are proud to be fellow visitors with you on this planet at this point in time and fellow voyagers with you upon the road to that better day for the humblest of all creatures.

Thank you. (Ovation)

The President: I recognize the distinguished Senator Saraki.

Senator Sola Saraki (Ilorin/Asa): Mr. President, Sir, distinguished Senators, I would like to thank the Leader of the Majority of the House of Representatives and his Colleagues for coming to address us. It was true that Nigeria freely chose this type of Constitution we are now practising.

The problems before us in this system are very colossal and fundamental but I am sure that with understanding, love and affection amongst all of us, we shall succeed.

I would like to seize this opportunity, Mr. President, Sir, to say that we would like our friends in America to bear with us whenever we knock at their doors for assistance, or to learn from the experience which they have acquired in the two hundred years in which their Constitution has been in existence. Some of us have had the opportunity to visit the United States and the Congress to see them in practice, and we have learned a lot. I do hope that other Senators would have the opportunity to visit the American Congress and see how the system is working over there.

On behalf of my colleagues, the Senators, I thank the August visitors for sparing the time to visit us in the Senate. Thank you.

The President: Order! Order! May I make a correction. My attention has just been drawn to fact that Mr. Wright is a Representative and not a Senator. He is the Majority Leader of the House of Representatives.

Senator S. A. Shitta-Bey (Lagos): Mr. President, Sir, distinguished Senators, may I with due respect say that I associate myself with some of the views already expressed about strict compliance with the provisions of Section 8 of the Constitution. Unless one goes by what the President told us, which, according to my learned friend on that side, appears to be documentary hearsay, one cannot definitely ascertain or satisfy oneself that Section 8 of the Constitution has been complied with.●