

EXTENSIONS OF REMARKS

APARTHEID IN THE REPUBLIC
OF SOUTH AFRICA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. DOWNEY. Mr. Speaker, I recently returned from a conference in Freetown, Sierra Leone, hosted by the African American Institute, where I had the opportunity to meet government leaders and foreign ministers from 26 African nations. Exchanging views with these black African leaders was an extremely worthwhile experience for me, and I would like to share with my colleagues one thing in particular that I learned from those conversations. Africans from all parts of the continent are genuinely concerned about the continuance of apartheid in the Republic of South Africa. It is the first subject they raise with a visiting American politician. Before they ask about development aid for their own countries, many of these government ministers asked me what the United States intended to do to encourage an end to apartheid in South Africa. This type of unified concern is extraordinary, and it is something to which we in this body and the President and his new administration must give serious consideration.

I would, therefore, like to have reprinted in the RECORD the text of a speech I prepared for the Freetown conference commenting on the future of change in South Africa.

ADDRESS TO THE AFRICAN AMERICAN INSTITUTE
CONFERENCE IN FREETOWN, SIERRA
LEONE, JANUARY 11, 1981

I must admit to feeling a little out of place standing here in the beautiful capital of Sierra Leone speaking to such a distinguished group of African leaders, scholars and Africanists about the future of change in South Africa. You are all more closely involved in that process of change than I. All I can offer are my own perceptions as an outsider with a longstanding personal interest in advocating change in South Africa, and perhaps some insight as a Member of the United States Congress with regard to the future of American policy toward Africa.

There has certainly been change in the past decade both in the situation in South Africa and in the relations between the United States and the government of South Africa. I don't believe that any American administration, not even Mr. Reagan's, will ever go back to the Eisenhower/Nixon view of the Republic of South Africa as a truly close ally and bulwark of the Western World so long as the government of that country continues to found its domestic policies on a most blatant and oppressive form of racism. I believe we are past that

phase in American policy. I don't believe the American people want a close relationship with a racially premised regime, and I'm convinced that, even with the results of the recent election, there are fewer politicians in the United States today who would advocate such a relationship than at any time in the past. Nevertheless, there will certainly be obstacles if this trend is to continue to make strong progress. There are still many in the halls of Congress—and there will surely be more among the 76 new Members elected to the House in November—who do not view change in South Africa as either necessary or inevitable. Those of us like the chairman of this congressional Codel, my good friend Bill Gray, who will continue to argue the anti-apartheid cause have lost a number of strong voices in the recent elections. Father Drinan of Massachusetts will not be back with us on the floor of the House as he was in arguing against the lifting of sanctions against Rhodesia and against human rights violations worldwide. My good friend Andy Maguire of New Jersey, who has spoken out against apartheid for more than twenty years will not be part of the new Congress. Neither will my friend John Anderson, whose consistent views on foreign policy and human rights would have given a great boost to our aims if he had been more successful in his campaign for the presidency. Those of us who remain in the 97th Congress will continue to press the new Administration for policies that will facilitate your efforts to accelerate change in South Africa. But what sort of change should we envision, and what sort of policies should we pursue?

Up to the present time much of what the United States has done to put pressure on the government of South Africa for change has been largely symbolic. There is the U.N. imposed arms embargo, the refusal to use the Simonstown naval facilities, the refusal to recognize artificially created states, encouragement for the end to petty apartheid regulations, the establishment of codes of conduct for American corporations in South Africa—all of which are mainly symbolic in nature or treat only the symptoms rather than the roots of the apartheid system. Nevertheless, even this much is reflective of a considerable change and considerable progress in a short time for a nation like ours, where as recently as 1955 a black woman in Alabama was arrested for refusing to rise to give her seat to a white man on a public bus.

Meanwhile the situation in South Africa has changed as well, to some extent for the better but to a much greater extent for the worse. Even under an Administration that claims to be restraining the Verkrampstes, massive arrests continue, filling the prisons of South Africa with journalists, teachers, writers, and many hundreds of black, white and colored South Africans concerned about the future of their country. The example of revolutionary change in Zimbabwe has been taken by some as a signal for leaving the evolutionary path toward change, but there is also the lesson of the conference table and the ballot box in the example of Zimbabwe. Some cosmetic changes have appeared, but the Pass Laws still remain. The arbitrary provisions of the Terrorism Act still remain, and men like Nelson Mandela

remain in prison. Prime Minister Botha's answer to all this is a homelands policy, a "constellation" of states which it is alleged will correct and justify all past inequities.

I recall a meeting that was arranged last year in Washington in which about a dozen other liberal Members of Congress and I met with twenty-three South African parliamentarians who were visiting the United States. As you can imagine it was a very tense meeting. I felt a little like an early Christian being given a tour of the lions' den. But the ice was broken by a member of the Nat Party who almost immediately began to lecture us (as soon as one of his colleagues had finished raking us over the coals for our past mistreatment of the Indians) on the homelands policy. It was, he said, just the same as the early formation of the United States from the 13 original colonies. He may have believed that it was, but to all of us it was all too clear that the process he was describing—breaking up an already unified State into a number of artificial "homelands" only to reunite them in a loose confederation in which all the wealth of the whole would repose in the hands of one "white homeland"—was certainly not what Washington and Jefferson had had in mind.

Well, what positive steps can America take to put pressure on men like these for change? Our leverage is limited. The unity of will on the part of our people and government is limited. Our options are, therefore, also limited. Nevertheless, there are specific targets that can be selected, specific goals that can be set with some hope of success. As a member of the Ways and Means Committee, which deals with taxes, and the Subcommittee on Trade, which deals with international import and export, I am becoming more and more convinced that economic pressure is the most effective kind of pressure. On the international level that means the exertion of pressure where possible on the economy of South Africa, which as we all know is currently flourishing and becoming immune to outside pressure in many areas. As I have said, our options are limited. Many of us talk about sanctions or further embargos against the government of South Africa, but I will tell you now quite frankly that I am not confident that any sanction measure of that type would pass the new Congress that will begin the business of legislating the laws of our nation when we return from this conference. Any measure of that type would first have to pass the Ways and Means Committee of the House, a committee I serve on and know well, and it would have to be accepted by the Finance Committee in the Senate under its new Republican leadership. It would be unfair to raise false hopes that such a proposal would have any practical chance of success in the new Congress.

But that is not to say that there are not other positive steps that can be accomplished in the next two years. I believe that significant gains can be made through government encouragement of the private sector in the United States to take a role in African development. To a great extent the pressure which might be put on South Africa by her neighboring states is nullified

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

by the fact that their own economies are largely tied to that of South Africa. That is one reason among many why it should be a goal of the United States to assist African nations in creating an interdependence among themselves, apart from the inevitable ties to the South African economy and allowing for the gradual weakening of those ties. At the present the front line black nations of Africa need South Africa as a supplier of goods and services and as a market, but it should be remembered that South Africa also needs them. As time passes, it may be hoped that the trend will be toward the latter aspect of that need-supply equation. I believe that this is something in which America can help through investment, through loans, and through development aid, particularly in the areas of transportation, roads, communications, ports and trade. The stronger the economic base and the interrelationship of black African nations opposed to apartheid, the stronger the pressure they can exert upon South Africa will be.

Within South Africa this same postulate is true. The stronger the black economic base, the more unified the black spokesmen and women in their demands, the more weight those demands will carry. This is another area in which I believe the United States can help. If South African blacks are to move forward and take leadership positions in trade unions, urban councils, business, community, church and political organizations, as they must do, improved educational opportunities are essential. Improving education for blacks at home is, of course, the first priority, but the United States can also help in the field of higher education or specialized education by increasing the opportunities for black South African students to study abroad and then return to leadership roles in their own communities. My friend Congressman Andy Maguire proposed a program with this goal in mind during the last Congress, and I intend to pursue it further.

There is also considerable potential in the area of encouraging American business to act privately in aiding black business, agricultural and commercial development in South Africa. Projects like the recently announced plan under study by the Bank of America to finance a \$500 million redevelopment of the black township of Alexandra near Johannesburg should be encouraged. It is encouraging simply to see representatives of the Bank of America sitting down to discuss such a project with the Institute of Race Relations and Soweto's Committee of Ten. Though projects like this are, and should be private sector agreements, I would like to see them aided by U.S. government initiatives, perhaps involving preferential treatment in consideration for Exim Bank guarantees. As I see it, if the United States can help the black leaders of South Africa build an economic and political base which marks them out as obvious negotiating partners, then the Americans, the Europeans and the nations of black Africa can work together with more hope of success in pressuring the South African government to negotiate meaningful change for the first time. As long as they do not feel that they have to negotiate, as long as they feel they can argue that there is no unified, identifiable black leadership with whom to negotiate, they will not negotiate. For those of us in the United States who are committed to seeing an end to apartheid, it should be our task to help create that need and to help you to build that leadership.

On the human rights front, of course, those of us in this congressional delegation and many others will continue to speak out. When we see freedom of the press violated and journalists dragged before magistrates we will continue to demand answers from the South African Ambassador in Washington and the Minister of Justice in Pretoria. The Congressional Monitoring Group on Southern Africa, a group of 50 concerned Members of Congress—now somewhat reduced in numbers, I'm afraid, by the November elections—will continue to monitor the fate of political prisoners and banned persons in South Africa. This group, of which I am a coordinator, was formed in 1977 After the death of Steven Biko, and we began our prisoner adoption program last year. As unfortunate as it is, there is no doubt that such a project will still be needed this year and the next, as political prisoners in South Africa remain an ever increasing breed.

In conclusion, if asked for a prognosis of what blacks in South Africa seeking alternatives for change should expect from American policy in the future, perhaps I would first try to avoid answering, because I am not entirely optimistic about the answer. But if pressed, I would give the answer that I am not entirely pessimistic either. Hard times are ahead for those in the Congress who seek to bring human rights considerations to the fore. I believe that we will be on the defensive in many instances in the next four years in arguing this case, as we will in arguing for foreign aid or for many of the domestic social programs that American liberals have championed in the past. It will be difficult for us to begin new initiatives with regard to Africa, or Latin America or other parts of the developing world. It may be difficult for us just to hold the line.

It is not for me to guess what American policy toward Africa will be under President Reagan and General Haig, presuming his nomination as Secretary of State is confirmed. The Republican party has never really had an Africa policy in the past, in my opinion. Dr. Kissinger paid very little attention to the African continent until the civil war in Angola—as far as I know, he is the only American Secretary of State to discover Africa by way of Cuba! Under the Reagan Administration I would expect a certain element of Realpolitik, a feeling that the United States should support any government in which we have an economic or strategic interest. It will, therefore, be the job of liberals in the Congress to argue that the case with regard to the government of South Africa is just the opposite. The mineral resources and economic strength of that strategically located country will in the long run be controlled by the legitimate black majority of that nation. That is the basis on which any policy of true Realpolitik should be based. And American policymakers must be made to realize that it is in our hands now to determine by our actions and attitudes what our future relationship with those black South African leaders will be. ●

KIWANIS CLUB OF FARMINGDALE, N.Y.

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. CARMAN. Mr. Speaker, while our brave hostages were suffering for over 14 months in Iran, there were some quiet heroes, here at home, who deserve our thanks for a job well done. I am referring to members of the Kiwanis Club of Farmingdale, N.Y., my hometown. Every Saturday, rain, snow, or shine, the members of this fine civic group flew U.S. flags along Main Street in Farmingdale to remind everyone that our diplomats and military people were still being illegally held in Iran.

Even before the hostage crisis, the Kiwanis Club was showing the colors. Flag holders had been mounted on parking meters along Main Street so that "Old Glory" could be displayed on various holidays. After the hostages were taken at the U.S. Embassy in Iran, Kiwanis Club members decided to hold a hostage vigil by flying the flags on Saturdays until our people were set free.

Mr. Speaker, it gives me pleasure to see that things are now as they were over 444 days ago. Our ex-hostages are prisoners no more and the Kiwanis Club can reserve its flags for regular holidays. I wish to commend the club for inspiring our community to "rally 'round the flag" during the dark days when our people were being held like prisoners of war. ●

A. A. McCANDLESS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. LEWIS. Mr. Speaker, today I rise to honor A. A. "Al" McCandless, supervisor of the fourth district of Riverside County, who has served for the past 4 years as chairman of the South Coast Air Quality Management District Board. At the end of his two-term chairmanship, Mr. McCandless is to be commended for his dedication, hard work, and the wide-ranging accomplishments of the South Coast Air Quality Management District under his direction.

These regional air quality districts were implemented just 4 years ago, based on legislation which I introduced in the State assembly. Under the supervision of this able and dedicated man, the South Coast Air Quality Management District merged four independent county air pollution control agencies—for Los Angeles,

Orange, Riverside, and San Bernardino Counties—into one regional agency with uniform procedures and consistent rules. The south coast district is one of the largest and most innovative agencies of its type in the Nation. Today, this district is an outstanding example of the major role which local governments, working together, can play in solving significant public problems.

The south coast district prepared, coordinated and adopted a comprehensive air quality management plan to serve as a blueprint for clean air for the south coast air basin. This plan is so well designed that the Environmental Protection Agency has referred to it as an example for other nonattainment areas to follow.

Implementation of this plan has led to significantly improved air quality in the region and greater public understanding of air pollution. These goals were accomplished using various methods. Dramatically reduced emissions from industrial sources are the result of air pollution control rules which required the installation of the most advanced control equipment and procedures. A revolutionary emission fee program has eliminated the agency's dependency on property taxes by placing the primary burden of financing their work on major industrial emitters instead of the public. A thorough system for monitoring air quality, reporting air pollution conditions, and for conducting research has been established and developed.

The district board has been sensitive to the public's needs as well. The south coast district opened several field offices to serve the public and monitor air quality; they established a small business assistance office to assist small businesses in complying with increasingly stringent air quality control rules. The board formed a 30-member advisory council representing industrial and environmental concerns to advise the district on air quality planning and technical matters. And, they have developed a school communications network to advise schools to reduce student physical activities during smog episodes. The list of accomplishments could continue on and on.

Chairman Al McCandless' leadership has served the South Coast Air Quality Management District and the public it serves in a commendable manner. We accept the end of his terms as chairman with mixed emotions—sad that it must end, but happy to know that we will still benefit from his hard work and loyal service as a full and participating member of the district board.●

INVESTMENT TAX CREDIT FOR REHABILITATED BUILDINGS LEASED TO TAX-EXEMPT OR GOVERNMENTAL ORGANIZATIONS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. ROSTENKOWSKI. Mr. Speaker, in the closing days of the 96th Congress, a number of miscellaneous tax bills were passed which contained approximately 62 different provisions. One of these bills, H.R. 7956, originally passed the House with a section allowing the investment tax credit for rehabilitated buildings leased to tax-exempt or governmental organizations. However, the Senate amended H.R. 7956 to delete this provision. Subsequently, the House disagreed with the Senate amendment, and insisted on retaining the rehabilitation credit. The Senate concurred in the House amendment, but due to a clerical error involving its enrollment, the bill as sent to the President and signed into law as Public Law 96-605 did not contain this provision.

It is clear that both the House and the Senate believed they were agreeing to H.R. 7956 with the rehabilitation provision included. Therefore, it is my intention and hope to proceed expeditiously to rectify this oversight in the 97th Congress. It will be necessary to reintroduce the rehabilitation provision this Congress, either as a separate bill or as part of a measure making technical corrections to tax legislation enacted in the 96th Congress.

Regardless of which approach is used, I am hopeful that this provision will receive the prompt attention of the new Congress, so that those taxpayers who have acted in reliance upon it or anticipated its enactment will not be penalized by an unintentional clerical error. In this regard, I anticipate that careful consideration will be given to retaining the effective date of the original legislation so as to afford taxpayers appropriate relief.●

HON. EMANUEL CELLER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

● Mr. STOKES. Mr. Speaker, I would like to thank the gentleman from New York (Mr. ADDABBO) for reserving this time so that Members of the House of Representatives can pay tribute to a former Congressman who was this body's greatest champion of justice, human decency, and civil rights—the Honorable Emanuel Celler. As we all

know, Mr. Speaker, Emanuel Celler died Thursday, January 15 at the age of 92.

It is only fitting that we pause at this juncture to pay homage to a man who during his 50 years in Congress gave hope and a fair chance to those who were hopeless and shackled for so many years by this society's prejudices and inequities. Undoubtedly and appropriately, history will credit Emanuel Celler as the chief architect and primary advocate of the major civil rights legislation in this Nation.

Mr. Speaker, Emanuel Celler was the undisputable guiding force who took the struggle for equality and civil rights from the demonstrations, sit ins, and marches in our Nation's streets to the Halls of Congress. He then became the tower of strength and conscience needed to push major civil rights legislation through both the House and the Senate at a time when his efforts were given only a token chance of success.

Courage, foresight, compassion, and leader amongst leaders—all of these words characterize the man who in 1957 wrote and shepherded into law the first comprehensive civil rights legislation in the Congress since Reconstruction. Emanuel Celler went on to become the author of the more comprehensive 1960 Civil Rights Act.

Refusing to rest on what many people called remarkable achievements in the area of civil rights, Emanuel Celler through his position as chairman of the House Judiciary Committee went on to serve as the major strategist for the passage of the 1964, 1965, and 1968 Civil Rights Acts. During this time, Mr. Celler was engaged in many floor battles on behalf of the legislation. Mr. Speaker, many of my colleagues may recall at the age of 75, Emanuel Celler waged an impressive battle on behalf of the 1964 Civil Rights Act. Armed with his legendary oratory and wit, he led a 2-week debate that held together the farthest reaching civil rights bill ever written. The measure covered desegregation in education, employment, public accommodations, and other basic aspects of life.

After the House passed each civil rights bill, Mr. Celler went on to tackle the Senate Judiciary Committee which at that time was dominated by southerners who traditionally kept legislation of this kind bottled up in committee. In every instance, he pressured the Senate to pass the bills despite the opposition of some of the Senate Judiciary Committee members and the threat of filibusters and other tactics.

In addition to his achievements in the area of civil rights legislation, Mr. Celler is noted for his work with four constitutional amendments. The first amendment allowed the citizens of the

District of Columbia to vote in Presidential elections. The second amendment effectively banned the levy of poll taxes in Federal elections. The third was an amendment on Presidential disability and succession. The fourth lowered the voting age to 18.

Additionally, Mr. Celler was associated with over 400 laws which passed the House including a measure abolishing the use of national origins in setting immigration quotas and the Celler-Kefauver Antitrust Act of 1950 which tightened existing laws.

Mr. Speaker, Emanuel Celler was a bulwark of human decency in this Congress and in this Nation. His achievements in the area of civil rights legislation stand as a lasting monument to his greatness as a legislator and human being.●

THE HOSTAGES SHOULD BE COMPENSATED

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BINGHAM. Mr. Speaker, I would like to add my voice to those expressing deep relief at the freeing of our former hostages in Iran and heartfelt appreciation to those United States and Algerian officials who were instrumental in securing their release. However, I also firmly believe that the U.S. obligation to these brave men and women does not end here. They have suffered danger and extraordinary hardship for over a year. Some were condemned to solitary confinement, others were beaten and tortured. All endured extreme deprivation in their daily living situations.

More than 1 year ago, I introduced House Concurrent Resolution 221, co-sponsored by Representatives ZABLOCKI, BROOMFIELD, FASCELL, and BUCHANAN, expressing the sense of Congress that, once the hostages had regained their freedom, they should receive appropriate compensation for their extraordinary ordeal. This resolution was approved unanimously by the House Foreign Affairs Committee and passed the House on December 18, 1979, by the overwhelming majority of 369 to 4. Furthermore, when the Hostage Relief Act of 1980 (H.R. 7085) was adopted last September, the report language made it clear that the benefits contained therein by no means precluded consideration of further compensation at a later date. Thus the Congress is clearly on record that the hostages should receive generous financial recognition.

The takeover of our Embassy in Tehran was a unique and unparalleled situation, and America's response must be appropriate to discharge our obligation of honor to the hostages

and their families. We must avoid repetition of the unfortunate situation which occurred in Vietnam, when military and civilian prisoners alike received only an extra \$5 per day for their time spent in captivity. I am aware that in his final hours as President, Jimmy Carter signed Executive Order 12285 setting up a Presidential appointed Commission on Hostage Compensation to make recommendations within 90 days as to whether legislation to deal with the foregoing compensation issue is appropriate and, if so, as to what such legislation should provide. In light of Congress response to my resolution, the propriety of legislation granting compensation should be clear. The administration's task at this time should be to recommend to Congress the proper amount of compensation as well as procedures to be adopted to protect the future careers of the former hostages. The State Department should begin to consider these questions now, rather than wait for a Commission report which may never see the light of day. Representatives BROOMFIELD, FASCELL and I wrote to Secretary of State Haig on January 23, apprising him of Congress willingness to meet its responsibilities to the hostages as demonstrated in the response to House Concurrent Resolution 221 and the report accompanying H.R. 7085. We have requested an early report of the administration's intentions and recommendations.●

UKRAINIAN INDEPENDENCE DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. RODINO. Mr. Speaker, last Thursday marked the 63d anniversary of the Declaration of Independence by the Ukrainian people, who continue their long and bitter struggle for national self-determination.

The Ukrainian people have a long history of resisting imperialism and colonialism. In April 1917 the Ukrainians formed the National Ukrainian Congress in the hopes of gaining their national independence while Czarist Russia was in revolution. On June 23 that same year the elected council of the Ukrainian people proclaimed an autonomous Ukrainian Republic, with a national army, judicial system, administrative agencies and schools. This Government was recognized by many foreign countries. Within 2 years all Ukrainian lands were proclaimed free and they united into one sovereign nation. The Ukrainian people fought gallantly against Soviet forces for over 2 years to protect their freedom, but the Soviets reoccupied the Ukraine in the summer of 1920 and they have maintained control ever since.

As a result, the Ukrainian people have been the victims of religious and political persecution and the denial of personal freedoms. Their quest for national self-determination continues.

In America we are fortunate to have over 1,200 local Ukrainian-American organizations which help to preserve the Ukrainian heritage and culture in America and strengthen our democracy. I am proud of the Ukrainian-Americans living in New Jersey's 10th Congressional District, which I represent. Their contributions to our society reflect the richness of their culture and their personal commitment to democratic principles.

As Americans we should join in commemorating Ukrainian Independence Day by reaffirming our commitment to the defense of human rights around the world and recognizing those whose struggle for freedom and liberty has not ended.●

SOLVING OUR ECONOMIC ILLS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. MILLER of California. Mr. Speaker, last week I shared with the Members of the House a portion of the recent article by economist Emma Rothschild concerning our lagging economy and declining productivity. In this article, Dr. Rothschild critically examines the Reagan economic agenda and illustrates some serious shortcomings which could produce results directly contrary to those the new President anticipates.

I would like today to share with you the conclusion of that article:

How welcoming is this environment for Mr. Reagan's economic policy, founded as it seems to be in the hopes of industry, of sector IA? The industrial sector is easily surpassed, in employment, by sector II; it is surpassed in total output and in output per employee in sector IB. Only the most prodigious expansion of industrial production, therefore, would suffice to invigorate the entire economy.

Consider, for example, the consequences of a more dynamic industrial performance in the 1970s. Let us double the 1973-1979 rate of growth of output per employee in sector IA—0.615 percent per year—keeping all else constant, and call this hypothetical dynamic economy D-growth. In this outcome, 1979D output per employee in IA would be \$16,913 instead of the actual \$16,275. But the total growth rate of output per employee would have increased only to 0.261 percent per year; just the same, in fact, as under our earlier hypothetical outcome (1979N) where employment in sector II grew at no more than its "normal" historic rate.

Or imagine the transformation that would have been required in IA in 1973-1979 to shift the private economy not to a paltry 0.2 percent annual growth rate in output per employed person but to its historic rate, for

1947-1973, of 2.055 percent per year. Such a shift, with conditions in the other two sectors held unchanged, would have required an increase in IA output per person employed to \$22,297 in 1979S (outcome S for superdynamic). This would imply an annual growth rate of over 6 percent from 1973-1979S: more than twice the historic growth rate of output per employee in this sector, and ten times its actual growth rate.

A "supply side" enthusiast might answer, to these considerations, that the recent emphasis on traditional industry is no more than political rhetoric; that the Republicans once in office will care not at all whether their economic recovery comes about in sector IB, sector IA, or sector LXXXIV. Supply-siders—like their opponents and mirror-images, the "demand-siders" or Keynesians—are unconcerned with the real industries and workers and technologies that constitute an economy. They prefer to live among the abstractions of economic theory and economic politics, whether of "supply" and "expectations" or of "effective demand."

But the primacy of traditional industry, of IA, is not easily ignored. If the economy were to expand in sector IB, employment would be unlikely to increase fast. And the characteristic behavior of IB corporations—immense semi-public utilities, bus companies and trucks, financial corporations, AT&T—is hardly that of the sensitive, even skittish entrepreneurs, the investors in new factories and equipment to whom the Republican policy is addressed. Yet if growth of output and employment continues to expand in sector II, then the present problems of inflation and low productivity growth will be compounded.

There seems a very reasonable chance, in sum, that the Republican inspiration will not bring about rapid, noninflationary growth and increased productivity; that the spirit, fizzling rather than blazing, will not be equal to the constraints of domestic structure and international recession.

The Reagan program in these conditions is likely to be wildly inflationary. And the military spending to which the new government is committed will exacerbate such tendencies. The Republicans do not discuss the economic consequences of remilitarization; nor are they likely to, given their conviction of the priority of defense, which transcends the banal calculus of economic costs and benefits. But the military boom of 1981 is likely to bring all the problems of previous expansions with few of their benefits. The two periods of greatest military expansion were both times of rapidly accelerating inflation. Thus the Korean War boom began in 1950, when inflation was 1 percent; in 1951 inflation was over 8 percent. The Vietnam War-related military boom began in 1966, when inflation was less than 3 percent; since then, inflation has averaged 6 percent per year.

At the same time, the employment effects of increased military spending will be dampened in the 1980s by the overall structural changes in the economy. The "defense products industries" are only a minor subdivision of our sector IA: together they employ fewer workers than they did in 1967, and only a third as many people as are employed in eating and drinking places. The Defense Department employs less than two thirds as many people, military and civilian, as it did in 1967, and its purview is unlikely to increase. Does Caspar Weinberger want more civilian bureaucrats? Does the Middle East Rapid Deployment Force want more quartermasters, or more missiles?

The proposed military expansion seems organized to maximize the economic costs of defense, and to minimize its economic benefits. It will favor nuclear missile "systems," submarines, planes, and other "big ticket" items. But spending of this sort requires large numbers of scientists and engineers and construction workers; it requires relatively few manufacturing workers. The MX missile system, or a substitute costly project, would provide some employment, and inflation, in Cambridge, Massachusetts; it would also provide considerable inflation and employment for low productivity construction workers in Utah and Nevada. But it would not provide jobs for unemployed steel workers. MIRVed experimental missiles are not bolted together in assembly lines.

What will the Republicans do if their policies lead them into higher inflation and unbalanced budgets? Their most likely recourse will be to the conventional conservative remedy of recession. The old conservatism represented in the Reagan cabinet by Mr. Regan and Mr. Weinberger has its acrid but available medicines: control the money supply, increase taxes (or limit tax cuts), hack with ever greater frenzy at nonmilitary government spending. There is a recent precedent for the repression of neoconservative exuberance. Mrs. Thatcher came into office determined to cut taxes and inspire the "spirit" of British entrepreneurship, but has retreated to the purest policies of victory through recession.

Such conservative orthodoxy could bring about the second great danger of the Reagan economic policy, namely a collapse of employment throughout the economy. The 1970s seem to have confirmed the experience of the postwar period, that employment in sector II is immune to the vicissitudes of the business cycle. Employment in services and to a lesser extent in retail trade changes, on this view, according to a long-term growth path. And the recent dominance of sector II employment has indeed been countercyclical in just this sense. From 1974 to 1975, employment in sector I fell by 2.4 million jobs; employment in sector II increased by 0.5 million jobs. Similarly during the recession of 1980. From July 1979 to July 1980, employment in I fell by 1.3 million jobs, while employment in II increased by 0.8 million jobs.

But there are reasons to doubt whether the resilience of retail and services employment will continue into the next one or two recessions of the 1980s. First, because services employment has not in the past been immune to cyclical declines, if the cycles in question are sufficiently great. Second, because there may be special characteristics of the new employment which make it particularly vulnerable to the special recessions which lie ahead.

The ominous precedent is 1929-1932. The 1920s were a period of rapid expansion in the equivalent of sector II: trade and services together accounted for 77 percent of all new private employment from 1920 to 1929. But many of these jobs were lost after October 1929. From 1929 to 1932, employment in retail trade declined almost as much as did employment in the entire economy, and employment in services also declined substantially. In some services—particularly frivolous ones, like hotels and "amusements"—employment declined even more than it did in the economy as a whole.

It is also plausible to suppose that sector II employment will be particularly vulnerable even to milder recessions in the 1980s.

This is so, above all, to the extent that the next recessions will be accompanied by cuts in civilian government spending. One apparently "recession-proof" sector, state and local government, has already been affected. This sector accounted for over 40 percent of all new public and private employment in 1973-1976 and less than 10 percent from 1976-1979. And other retail and service activities may be affected directly and indirectly by spending cuts. Each of the "Big Three" employment-intensive industries of the 1970s could be vulnerable to a combination of recession and government cutbacks.

The expansion of employment in eating and drinking places seems to be closely linked to long-term trends: more people live alone (and are far more likely to eat out than are "multi-person households"); more women work (and families with working wives spend more money on eating out). But output in eating and drinking places is also sensitive to changes in real per capita income: it stagnated in 1959-1961, for example, and also in 1973-1974. In the next recession, this sector might behave like the "frivolous" services of the early 1930s. People might treat eating out, even eating hamburgers, as an amusement and not a necessity. There could also be an adverse multiplier effect having to do with the long-term demographic trends. If a recession in the 1980s led to lay-offs of women workers in such "feminine" activities as local government, health services (and eating places themselves), then the demand for meals might contract further.

There might also be tendencies within the eating and drinking industry which will affect employment. Productivity growth in eating places was much less rapid in the 1970s than in the 1960s, but might increase again. Large chains—notably in fast food—are particularly adept at labor-saving innovations: the pre-frozen portions, automatic frying baskets, and continuous flow broilers which transform cooks into unskilled materials handlers. A recession could lead to the bankruptcy of small restaurants (and even small fast-food chains), and a concentration of employment in more efficient operations. Will the deserted Burger King (or Milkshake Queen) be as common in the 1980s as the closed-down gasoline station of the 1970s?

The boom in business services is also a consequence of persistent trends. Corporations now contract out jobs such as copying, data processing, mailing, cleaning. This is to some extent a function of technological change and the onward march of the division of labor: business uses more data processing, for example, and specialized companies are efficient providers of computer services. But it is also related to social trends. Large corporations may find it easier to send out copying and bring in cleaners; their suppliers are obliged to manage part-time and temporary workers, many of them women.

Business services depend none the less on the overall business environment. In a recession, corporations could retrench, compelling their own employees to do more photocopying, and cutting back on temporary help. Here again, there are small and perhaps vulnerable companies, and many vulnerable short-time employees. There could also be a further multiplier effect, in, for example, the "personnel supply" establishments which provide temporary workers for other business services.

Medical services seem the most inexorable of the three big industries. Americans are

getting older and they show few signs of wanting less health care; they are not less sick in a recession. Private health services (which employed some 400,000 people in 1929 compared to five million now) were scarcely affected by the collapse in employment in the 1930's. But medical services are also among the private industries which will be most hurt by reductions in civilian government spending.

Senator Richard Schweiker (R-Pa.), the Secretary-Designate of Health and Human Services, has announced an assault on "abuse" in Medicaid, and has said that Medicare could save money if more people were looked after at home. His colleague Senator Pete Domenici (R-NM), the incoming chairman of the Senate Budget Committee, agrees that "nothing's immune—indexed programs, entitlements, the whole works." Such budget cutting could affect employment in all the private activities which have grown up around the semi-private health care system: for example in the million-employee "nursing and personal care facilities" business. Here too, as in other services, there are small companies which might go bankrupt. And there are four million women workers, who unemployed might return to unpaid cooking, cleaning, and nursing: the reverse multiplier once more.

The Reaganites are probably right to be preoccupied with an economic "spirit." Marx conveyed the theatrical and irrational character of capitalist inspiration. The Cambridge economist Nicholas Kaldor once criticized Schumpeter's tendency to explain economic growth by recourse to a "stage army of entrepreneurs"; he too conceded the importance of what Keynes called the "animal spirits" of investors.

But the conservatives are dangerously wrong when they invoke an old spirit—"the spirit . . . still there"—and old American industries. For changes in the structure of the American economy have brought equivalent changes in expectations, in the structure of entrepreneurial spirits.

The growth of employment in what we called sector II corresponds to persistent social and economic tendencies. At a superficial level, we can see that the economic booms of the 1970s were related to the multiple "crises" of American society: eating places and the crisis in the family; business services and the crisis of the corporation. But the expansion of sector II also has deeper origins.

Two of the essential institutions of modern capitalist growth are intimately concerned: the system of reproduction of the labor force, and the corporation. The family, it seems, is increasingly incompetent to sustain the reproduction of educated, healthy workers. Women's work is multiplied by the isolation of small families; women themselves join the commercial labor force; many work for the small fly-by-night companies of sector II. These problems are exacerbated by the demographic tendency toward an aging population. In 1968, 9.6 percent of the American population was over 65; in 1978 the proportion had increased to 11 percent. And most elderly Americans—unlike Donald Regan (Sixty-two), Caspar Weinberger (sixty-five), William French Smith (sixty-two), Ronald Reagan (sixty-nine)—are not chosen for well-paid and respected jobs; many are consigned to the ignominy of "personal care facilities" and the declining family.

At the same time, the corporation is faced with two different assaults. On the one

hand, it is ill suited to fulfilling the new needs of the labor force for familial and other services. On the other hand, the sector I monolith of Alfred Sloan's imagination is equally unsuited to employing part-time and temporary workers, young people, old people, and women.

These problems are by no means unique to the United States. Sector II-type employment is increasing throughout the advanced industrial world, although different countries have arrived at different patterns—for replacing the extended family with public or private employment, with the welfare state, or with nursing homes and fast-food restaurants. Mr. Reagan's conservative nostalgia for an old industrial spirit is itself not new: he echoes the hopes of (ill-fated) conservatives in two other sector II countries—Thatcher in Britain and Falldin in Sweden.

The capitalist solution, in the long term, will be a new entrepreneurship to "industrialize" sector II. Certain service activities will become far more mechanized; others will be detached from the retail and service sector and reattached to sector IA. We can see the outlines of this process in the electrostatic frying baskets of the fast-food industry, or in the instant meals, the panglular biscuits of Brave New World. In medical services, there will be more institutions like the Swedish hospital for long-term care, with a swimming pool and comfortable cafeteria, but where the patients were sent to bed early because there were too few staff to keep the facilities open.

The industrialized service economy may be dismal. It will evoke capitalist spirits of a different sort: vicious feminine entrepreneurs, Frederick Winslow Taylors of the kitchen and the hospital. The transition to a humane post-sector II economy is in some respects the most profound political problem for progressive governments in Europe or, some day, in the United States.

But in Mr. Reagan's America, the transition may be cruel in another sense. For it may require the convulsive decline in employment to which we pointed earlier: the disintegration of the existing sector II. The employment boom of the 1970s in the United States was extremely odd. The US is historically far more brutal, in its "normal" levels of unemployment, than are its main competitors. In the 1960s, average unemployment was over three times as high in the US as in Japan, West Germany, or France. In the 1970s, however, unemployment rates increased far less in the US than in these other countries (except Japan). By 1981, unemployment rates in France, West Germany, and Britain will be five times their 1960s levels, but less than twice their 1960s level in the United States.

Mr. Reagan's initial economic policies are unlikely to bring the high productivity, non-inflationary growth he seeks. His next set of policies—his next economic emergency, not for Inauguration week but for a recession months or years from now—may lead back to even higher levels of unemployment than were previously accepted. The employment expansion of the 1970s, of the Carter years, was bizarre: compassionate, androgynous, not characteristically American. There may be far worse to come.●

DAY OF MARTI

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. PEPPER. Mr. Speaker, I would like to bring to the attention of my colleagues a bill I am reintroducing, to authorize and request the President to proclaim January 28, 1982, as "Day of Marti, Apostle of Liberty."

Jose Marti was founder of the democratic tradition of Cuba at the beginning of this century, a man who cherished liberty and the ideals for which our Nation also stands. Not only as one of the greatest poets in the Spanish tongue but also as politician in exile in New York City and as guerrilla martyr for the cause of freedom, he served to glorify the dignity of his people and our common goal.

The memory of Jose Marti, which stands today as a reminder of the terrors of oppressive government in Cuba and of the desire of its people to be free, ought not to be forgotten in this land of a renewed Cuban exile. Let us join in support of the memory of such an outstanding man of present and past history as Jose Marti.

The joint resolution follows:

Joint resolution to authorize and request the President to proclaim January 28, 1982, as "Day of Marti, Apostle of Liberty".

Whereas the contributions of Jose Marti to the cause of liberty, freedom, and the self-determination of peoples of the world are worthy of the praise and admiration of mankind;

Whereas the Cuban people derived their independence from colonial government much as a result of the efforts and inspiration of Jose Marti; and

Whereas Jose Marti is remembered as "The Apostle of Cuban Independence" by hundreds of thousands of Cubans and Cuban-Americans residing in the United States who contribute richly to the life of our Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating January 28, 1982, as "Day of Marti, Apostle of Liberty", and calling upon the people of the United States and interested groups and organizations to observe such a day with appropriate ceremonies and activities.●

H.R. 7, THE CAPITAL INVESTMENT INCENTIVE ACT OF 1981

HON. CECIL (CEC) HEFTTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. HEFTTEL. Mr. Speaker, on January 5, 1981, my colleague BILL FRENZEL and I introduced H.R. 7, the Capital Investment Incentive Act of 1981.

This legislation reduces the includable portion of capital gains from 40 to 30 percent, thereby reducing the maximum capital gains tax for individuals from 28 percent to 21 percent.

Under present law, 40 percent of capital gains income is taxed at rates of up to 70 percent, the maximum rate on so-called unearned income, resulting in a top capital gains rate of 28 percent. The bill also reduces the statutory tax rate on corporate capital gains from 28 percent under present law to 21 percent. For corporations, however, the existing "add-on" minimum tax limits the apparent 7-percentage-point reduction to about 4 percentage points.

Our proposal is a significant step toward further reduction of the tax bias against saving and investment. Equally important, it will help to restore our country's proud record of economic growth, long eroded by high taxes, inflation, and the burdensome costs of government regulation.

1978 CAPITAL GAINS TAX CUTS

The first step toward ameliorating the high taxation of capital gains was taken with the Revenue Act of 1978. This legislation reduced the top tax rate on capital gains from approximately 49 percent to 28 percent for individuals and lowered the alternative tax rate for corporations from 30 to 28 percent. Thus far, the economic response to these reductions has been dramatic.

The 1978 capital gains tax cut encouraged individuals to reenter the stock market, providing needed equity for American business. According to a recent New York Stock Exchange (NYSE) survey, 6.5 million individual investors entered the stock market between June 1975 and June 1980, causing a net increase of 4.6 million shareholders; 22 percent of this 18.1-percent increase consisted of investors entering the market for the first time, as compared with first-time investors of 9 percent in the 1970 to 1975 period.

The capital gains cut also had a significant effect on the number of stock issues for firms going public for the first time. According to Meredith Young, editor of the venture capital industry publication *Going Public*, new issues amounted to a yearly average of less than \$225 million in the 3 years before the 1978 cut. In 1979, new issues rose to \$506 million, and preliminary estimates show that in 1980, new capital raised through initial stock offerings exploded to a level of about \$1.35 billion.

Accompanying this tremendous increase in initial stock offerings was an increase in activity for all stocks. Standard and Poor's 500-stock index rose 41.6 percent between April 13, 1978—the date the Steiger bill to lower the tax on capital gains was introduced—and September 16, 1980. For

the same period, the American Stock Exchange, home of many small- and medium-sized firms, fared even better, as the AMEX index increased 155 percent. These increases have occurred despite the uncertain economic climate.

Thus, the 1978 capital gains tax cut has resulted in higher equity values, increased common stock purchases, and more initial stock offerings. The reduction stimulated an increase in venture capital investment—investment that is sorely needed to maintain our international position as a leader in new products and industry. Further reductions in the tax rate on capital gains will encourage production investment and stimulate additional venture capital activity.

HIGH TECHNOLOGY

The level of taxation of capital gains can have a significant impact on research and development and on American leadership in new technology.

In the past, the United States has been the world leader in technology. To maintain this position of leadership, our research and development (R. & D.) expenditures must increase. However, expenditures for R. & D. in the United States have fallen while other international competitors have been increasing expenditures. According to a McGraw-Hill economics report, "America in the World Economy," November 1980, R. & D. as a percent of gross national product in the United States declined by roughly 20 percent between the 1960's and the 1970's. During that period, R. & D. as a percent of total output increased in Germany and Japan. Some experts, including Dr. Paul E. Gray, president of the Massachusetts Institute of Technology, in the New York Times, October 8, 1979, have cited our high taxation of capital as one of the major reasons for America's faltering technological leadership.

Evidence to date suggests that the 1978 capital gains tax cuts have resulted in a burst of activity in the venture capital market. According to statistics provided by the American Council for Capital Formation, venture capital investment increased from an average of \$325 million per year in the 3-year period prior to the cut, to \$550 million in 1978, and \$1 billion in both 1979 and 1980.

The venture capital market is a vital source of funds for entrepreneurs who, because of their inexperience or size of operation, are unable to get financial backing from conventional sources. Thus, by facilitating the growth of innovative firms, the venture capital market helps to finance the IBM's and Xerox of tomorrow.

REVENUE ESTIMATES

In the 97th Congress, budget restraint must be kept uppermost in our

minds as we determine the makeup of a program of tax cuts. We must be selective in the types of tax cuts that are enacted—tax cuts in 1981 must convey benefits which substantially exceed their costs. I believe the significant increase in economic activity engendered by reductions in the capital gains tax rate justifies further rate reductions at this time. The cost of the Capital Investment Incentive Act of 1981 must be measured in terms of its ability to generate investment activity, not simply in terms of "static" revenue cost.

There are three revenue impacts associated with capital gains tax reductions. First, there is the static or first-order revenue loss resulting from a reduction in the tax rate. However, this analysis assumes no change in behavior from individuals or businesses as a result of the tax cut. The second type of estimate takes into account the "unlocking" effect. By reducing the tax on capital gains, the cost of selling stock is lowered, thereby inducing realizations from the sales of capital assets. Finally, there is the economic "feedback" that arises from a tax reduction. Lowering the tax on capital gains lowers the cost of capital, making a larger number of investment projects profitable. As new investment projects come onstream, productivity will rise. The increase in productivity leads to increases in real wage payments which, together with increases in investment, leads to higher levels of gross national product, and to increases in individual and business tax revenues collected by the Treasury. This powerful feedback effect should not be overlooked.

The cost of the Revenue Act of 1978 has been much lower than originally estimated. The nearly \$3 billion static loss for both 1979 and 1980, originally projected to be offset by induced realizations of \$573 million in 1979 and \$535 million in 1980, has now been offset by close to \$1 billion in realizations for both years, according to Treasury estimates. Furthermore, a recent analysis by Oscar S. Pollock of Ingalls and Snyder, "The 1978 Capital Gains Tax Reduction: An Emerging Breakthrough in U.S. Tax Policy," June 11, 1980, indicates that the Treasury estimate of the cost of the 1978 capital gains tax cut underestimates the unlocking effect and is based on unrealistic effective tax rates. If additional revenues from economic feedback are taken into account, it is probable that the 1978 capital gains tax cuts actually increased revenues to the Treasury, as well as making an important contribution to the economic health of the country.

CONCLUSION

Substantial capital gains reductions were enacted into law as part of the Revenue Act of 1978. This lowering of

capital gains taxes has resulted in higher equity values, an increase in the number of individual investors, a surge in venture capital investment, and a rise in new stock offerings. I believe that additional reductions in the capital gains tax are necessary to further stimulate the capital investment so vital to our Nation's economic health and stability. My colleague BILL FRENZEL and I urge the Congress to help revitalize America by enacting the Capital Investment Incentive Act of 1981.

Mr. Speaker, I insert the bill I am introducing today, with my distinguished cosponsor, at this point in the RECORD:

H.R. 7

A bill to reduce the capital gains tax rate and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Capital Investment Incentive Act of 1980".

SEC. 2. Section 1202(a) (relating to the deduction for capital gains) of the Internal Revenue Code of 1954 is amended by striking out "60 percent" and inserting in lieu thereof "70 percent".

SEC. 3. Section 1201(a) (relating to alternative tax for corporations) is amended by striking out "28 percent" and inserting in lieu thereof "21 percent".

SEC. 4. The amendments made by this Act shall apply to taxable years ending after December 31, 1980.

TRIBUTE TO THE BALDWIN PARK HIGH SCHOOL BRAVES

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. ROUSSELOT. Mr. Speaker, sports is a way of life in America, and we all are proud when a local sports team is a winner. We have a winner in the 26th District of California, and I ask my colleagues in the House of Representatives to join me in honoring the Baldwin Park High School Braves for the team's great show of victory this football season.

Under the leadership of head coach Trifone M. (Ty) Pagone and assistant coaches, Tony Zane, Larry Davis, Ron Mead, and Mike Hunkins, the Baldwin Park Braves won the Montview League championship and the California Interscholastic Federation's Desert-Mountain Conference championship, culminating in an undefeated season.

The Braves victoriously represented Baldwin Park, and brought pride and acclaim not only to the school, but to the whole community.

Coming from behind in 9 of the 13 games in which they competed, the Baldwin Park Braves demonstrated their confidence and ability to win

when under pressure out on the playing field.

During the season the Baldwin Park Braves scored 344 points to the opponents 120, piled up 4,189 yards to their opponents 2,576 and left two teams scoreless.

Whenever one of the team members was injured, another came right off the bench, able to meet the challenge and fill the gap. Sixty-eight students made the varsity football roster for 1980, and 19 of the 22 members of the starting lineup will graduate this year.

During Coach Pagone's tour at Baldwin Park the football team has placed in league playoffs 5 of the 9 years, but this is the first time the team has been able to get through the second round in CIF playoffs. Needless to say, recruiters from all over the United States are now courting members of this outstanding team.

Not willing to accept second spot, in the final playoff game the Braves faced the team that had been rated No. 1 throughout the season, and defeated that group 20 to 13. This was the only CIF division with two undefeated teams.

Congratulations are in order for the Baldwin Park Braves. Members of the team did a terrific job, and Baldwin Park is very proud to claim its own football team as a big winner. We only hope this year's team members travel the same route as Baldwin Park High School's former student Freeman McNeill, who now plays for the UCLA Bruins and was recently named to the first All-American team.

Each and every member of the Braves deserves recognition for his hard and successful football playing. Following are their names:

Denver Abner, George Alapag, Doug Allen, Sergio Alvarez, Walter Andretta, Mark Avila, Robert Bean, Gary Burney, Paul Bustamante, Anthony Cardenas, Arturo Carlos, Alan Casa, Carlos Cedeno, Armando Ceja, Hector Chavez, Jesse Chavez, Louis Chavez, Kel Christianson, John Corpus, Paul Corpus, Danny Creal, Greg Elias, George Escarrega, John Flores, and Brian Fontes.

Other members include, Oscar Gallegos, Danny Garcia, Gary Glass, Mike Gray, Brian Guerrero, Carlos Guillen, John Henry, Michael Hoodye, Albert Jimenez, Robert Kirkland, John Leavelle, Doug Lee, Martin Lopez, Scott Masney, Danny Mendez, Alan Moore, Joey Mueller, Javier Murillo, Andres Ochoa, Pedro Padilla, Steve Parker, John Paul, Danny Perez, Sergio Reynosa, Eddie Reynoso, Jeff Richardson, Mario Rodriguez, and Enrique Ruelas.

The rest of the 68 members are Sammy Ruiz, Ron Salazar, John Saldaña, Norman Santiago, Darrell Sawyer, Robert Scala, Mark Shonefield, Darryl A. Smith, Tim Staab, Robert Torres, Gilbert Valdez, Steve VanMierlo, Mike Villareal, and Robert White.

Baldwin Park Unified School District Board of Education members Margaret Burnett, Robert Gair, Clinton O. Nixon, Bruce Snyder, and Robert Viramontes, along with Superintendent Jerry Holland and Principal William Barnholdt, all deserve recognition and thanks for providing the means and facilities to make this kind of participation possible.

Baldwin Park Mayor Jack White and City Councilmen Robert McNeill, Felipe Aguilar, Leo King, and Blair Holman passed a resolution commending the Baldwin Park Braves for public service. And the residents will honor this outstanding group of high school athletes on January 31 at a banquet.●

PRISONERS OF WAR

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

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

THE CURRENT STATUS ON THE PRISONER OF WAR/MISSING IN ACTION (PW/MIA) ISSUE AS PREPARED BY THE JOINT CHIEFS OF STAFF

1. Many Americans are unaware that nearly 2,500 servicemen are still unaccounted for as a result of the Vietnam war. There were 2,553 military and 41 civilian Americans unaccounted for at "Homecoming" in 1973. The military included 96 prisoners of war (POWs), 1,178 killed in action—body not recovered, and 1,279 missing in action (MIA). The civilians included 25 missing and 16 presumed dead. Since then, 75 remains have been returned and most individual cases of those unaccounted for have been administratively reviewed. Cases reviewed have invariably resulted in a presumptive finding of death, based on data accumulated in the file and the additional criteria of a lapse of time without information to indicate the individual is still living. Therefore, as of November 1980, only 14 military personnel, of those unaccounted for, have not been presumed dead. These 14 cases are broken down to 1-POW (USAF) and 13 MIA (11-USAF, 1-USN, and 1-USMC).

2. The fact that only 14 cases remain active does not minimize the need to achieve the fullest possible accounting for the approximately 2,500 men whose fate remains in question. The debt owed to each serviceman that is unaccounted for, as well as to that individual's family is well known. Although this obligation can never be fully satisfied, the USG can and should make every effort to achieve as extensive an accounting as possible. It should be emphasized that this is not just a humane gesture, but a US Government (USG) responsibility due every serviceman, past, present, and future.

3. Since the end of the Vietnam war, there has been an ebb and flow of government and public interest in accounting for Americans missing as a result of the war. The DOD PW Policy Committee, which handled the PW/MIA issue prior to the end of US involvement, became inactive shortly after the US withdrew from Vietnam. However,

in January 1980, an interagency group (IAG), which is comprised of representatives of the State Department, Office of the Secretary of Defense/International Security Affairs, Joint Chiefs of Staff, Defense Intelligence Agency (DIA), National Security Council, Subcommittee on Asian and Pacific Affairs/House Foreign Affairs Committee and the National League of POW/MIA Families, was established and has since been active. The main purpose of this group is to insure that priority is given to the issue and that US efforts are coordinated as we continue to press for resolution of the PW/MIA issue. The IAG is continuing the work started by the JCS to develop an explicit USG policy on the PW/MIA issue.

4. Although the Vietnamese claim to have released all POW's and to have been fully cooperative with the US Government the facts deny this claim. The SRV has returned 73 remains and has allowed Laos to return four remains, two of which were identified as not being American and returned. However, the Vietnamese have refused to account for Americans who were known POW's. In some cases, they have even acknowledged holding specific individuals at one time or another. These circumstances clearly belie their present claim to have fully cooperated in resolving the status of these individuals.

5. Of greatest concern are the recurring reports of the sightings of caucasians currently held captive in Indochina. As more Indochinese refugees are interviewed, the frequency of live sighting reports has also increased significantly. We now have over 280 firsthand reports of live sightings under investigation. Additionally, over 170 second hand or "hearsay" reports are being investigated. Further, a DIA validated source provided specific, detailed data on what he was told were three live Americans still in Vietnam. Due to the number of reports of live sightings, the PW/MIA IAG recently approved the following USG public affairs response to queries about unaccounted Americans: "There is an increasing number of reports that Americans may be held against their will in Indochina, but the U.S. Government has thus far been unable to substantiate this information and priority effort will continue to be assigned to investigating these reports." The increasing possibility that Americans are still incarcerated in Indochina, seven years after the war has ended, mandates immediate, high-level, US government attention. One should really get a DIA intelligence briefing on the subject before forming an opinion.

6. The same source who provided information on three live Americans also testified that the SRV collected skeletal remains of Americans for many years and possessed, as late as early 1979, over 400 individual remains. Portions of this testimony have been independently verified by DIA and the witness has successfully passed polygraph tests. After first denying access to the building where the remains were reportedly stored, the Vietnamese, after several months, allowed reporters to visit the complex. As expected, no remains were found; however, DIA still considers this source valid.

7. Logically, successful resolution of the PW/MIA issue requires a number of specific actions: release of any live Americans presently being held; return of previously collected remains of US personnel; search, recovery, and return of any additional US remains; and a cooperative effort by the USG and Indochinese Governments in those

cases where no remains exist or can be found. Additionally, fullest possible accounting requires priority attention to the issue and coordination of the efforts of all responsible US government agencies, as well as active participation and cooperation of all concerned nations.

8. Although both the USG and the Vietnamese Government have tacitly agreed that the PW/MIA issue is humanitarian in nature and should be resolved regardless of political differences, the Vietnamese continue to link the PW/MIA issue to other considerations. History shows that the Vietnamese, in dealing with France on the return and accounting for missing French personnel, responded only when it was beneficial to their self interests. Humanitarian ideals have had little significance; therefore, a new USG negotiation strategy is required. Although numerous demarches have been made to the Indochinese nations to this date, they have "stonewalled." The standard SRV response cites their inability to cooperate in search or accounting activities because their manpower is being fully utilized to defend against the threat of attack from the People's Republic of China (PRC). Recently, the Vietnamese have also stated that their people are reluctant to assist because of hostility over the "collusion" between the United States and the PRC. Although the Joint Casualty Resolution Center liaison team's recent trip to Hanoi (1-4 Oct 1980) had the potential for progress on the PW/MIA issue, once again, nothing of significance resulted.

9. The IAG is addressing the issues and any resulting proposed actions by the responsible US government executive agencies, the Congress, and the PW/MIA families. In respect to Congressional action, the Subcommittee on Asian and Pacific Affairs, House Foreign Affairs Committee, under Chairman Wolff is considering a hearing on the issue in December 1980. It is important not to lose the momentum generated during 1980, and to maintain unrelenting pressure on the Indochinese nations, especially the SRV, with respect to resolving the PW/MIA issue.●

A TRIBUTE TO HON. EMANUEL CELLER

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

● Mr. LENT. Mr. Speaker, it is a distinct honor and privilege to join in this tribute to our former colleague, the distinguished gentleman from New York, Emanuel Celler, who so ably represented the 16th District of New York for 50 years. All of us who knew "Manny" were saddened by the news of his passing.

Few men in the history of this Republic have left such a deep and lasting imprint on our Nation as Manny Celler. During the more than two decades that Manny presided as chairman of the House Judiciary Committee our former colleague played a leading role in passage of much historic legislation. This included no less than four amendments to the Constitution, which eliminated the levying of poll

taxes in Federal elections, revised Presidential succession provisions and lowered the voting age to 18.

Literally hundreds of laws originated in Manny Celler's Judiciary Committee including such landmark legislation as the major civil rights bills of the 1950's and 1960's. As a champion of human rights, Manny Celler had no peer. His leadership, and the magnificent legislative record which that leadership produced will continue to have an impact upon our country for generations to come. It is not likely that any future Member of the House of Representatives will equal Manny Celler's 50 years of service in this body, or his 22 years as chairman of the House Judiciary Committee.

Mr. Speaker, it was my privilege to have served with Manny Celler during his final term in office. I came to the House that term as a freshman Member with the New York State delegation. I know what great respect and admiration Manny Celler commanded from his colleagues. He was always ready with advice and counsel to his younger colleagues. Although our political philosophies differed we worked on many projects dealing with the cause of human rights, and in support of the security of the State of Israel.

Mr. Speaker, our former colleague was a peerless legislator, a dedicated public servant, a fighter for human rights, but above all, he was a marvelous human being, whose zest for life continually bubbled with a wonderful sense of humor. In his passing we have experienced a great loss, as has New York State and our Nation. The sense of loss is even greater among those of us who enjoyed the privilege of his friendship.

Manny Celler's life and deeds serve as an inspiration to every American.

I join my colleagues in extending our condolences to his family, and in the hope that our words of tribute will indicate the depth of our gratitude for Emanuel Celler's magnificent contributions to our Nation.●

EL SALVADOR AND VIETNAM

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. STUDDS. Mr. Speaker, there is a great deal to be said about the implications of current U.S. policy in El Salvador and throughout Central America. In a recent column in the Boston Globe, Monty Montgomery put it about as well, and as succinctly, as anyone yet has. I commend his words to my colleagues:

A LOOK BACK—OR IS IT AHEAD?

On Monday, a young friend of mine left home to protest the inauguration, the draft

and the general cussedness of government. I thought he was overstating his case.

On Monday I read the news. Oh boy. Five million dollars worth of small arms and ammunition so that the junta in El Salvador can shoot leftists. They know how to use it in El Salvador, the only country in the world where the leading cause of death is murder.

The young man is carrying a new guitar. After he gets through protesting the inaugural in Washington, and assuming he is not in the pokey today, he is hitchhiking to Arizona to pick fruit and play his guitar. I thought he was trying to live over the 1960's.

In El Salvador they are running out of ammo, which is the kind of thing that can happen when you keep wasting it on nuns and newspaper photographers, but the shortage will be eased.

Sometimes I think we underestimate the general cussedness of the government of the United States, or, at least its ability to keep playing the 1960's over again like a golden oldie on a million dollar weekend. My young friend will not do much to stop the draft, nor do I think he will do much good by following in Woodie Guthrie's footsteps. But he is hell-bent and dead set against contributing to the system that just sent \$5 million worth of death to El Salvador.

What the hell, if the government wants to play the 1960's game, why shouldn't he drop out? He didn't make up the rules.

They used to call a demonstration "bringing the war home." Now the government is helping... our new Vietnam is nearer home, somewhere in Central America.

A long time ago a young Specialist Fourth Class in the Sixth Army stood up in front of the troops and gave them a 55-minute lecture on the communist menace in Southeast Asia. This was in the very early 1960's, a long, long time ago.

He had charts and maps and colored pictures and knew how to pronounce Dien Bien Phu and Haiphong. He did such a terrific job that he was asked back to give the same talk three times. To officers, yet. They liked it so much they made him a sergeant.

The young man with the guitar will at least be spared that. Either giving the lecture on the communist menace in El Salvador or listening to it. Believe me, somewhere in the Sixth Army there is a young Sp4 giving a lecture on the domino theory in Central America.

In the very early 1960's the world was at peace except for the occasional crisis (missile or Berlin) and the shipping of large amounts of small arms to anyplace in Southeast Asia where the good guys lived. There was no visible protest against the draft, or the inauguration of John Kennedy. It was, for the Sp4 about to become a genuine noncommissioned officer, very much like a line from a Simon and Garfunkel song, when he was young, he carried a gun, but he never got a chance to serve. He thinks, now, that is very unlikely that any draftees who heard this marvelous lecture on the dangers of creeping communism in Vietnam ever got any closer to it than he did. He expects that most of the regular army soldiers and the officers got there. He gave the lectures to a very combat-ready infantry outfit.

The young man with the guitar does not believe that the rightists are always the good guys and the leftists are always the bad boys. He is in the Moral Minority, I guess.

Sometimes I worry about him. Not everybody you meet on the road is a good person.

Even your fellow anarchists might steal your guitar. I think he will have trouble finding an organically grown orchard to work in, he worries about pesticides, too.

I worry, but I also envy him. Not for being young, but for being safe from giving lectures on the leftist menace in Central America. I especially envy him when I think about the young man who gave the stirring lecture on Southeast Asia. It will be good for the young man with the guitar to be 40 someday, and not have that to think about.

There are things you regret doing, sometimes they are things that once seemed reasonable. Among other things, I very much regret being the over educated young soldier who gave the terrific lecture on how we could stop communism in Vietnam. ●

ROSENTHAL INTRODUCES TAX-STRADDLE LEGISLATION

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. ROSENTHAL. Mr. Speaker, today I am introducing, with Mr. BRODHEAD, of Michigan, H.R. 1338, a bill designed to discourage and limit tax evasion and shelter activity in "straddle" and "cash and carry" transactions.

Although the Internal Revenue Service ruled 4 years ago that tax-motivated commodity trading was riskless and without real economic purpose, unscrupulous promoters continue to attract high-income clients eager to reduce or eliminate tax liabilities by creating and deducting enormous paper losses from their income 1 year while deferring offsetting gains to a later year. Some try not only to defer their taxes, they also try to convert ordinary income or short-term capital gain to long-term capital gain which is taxed at significantly lower rates.

Tax-straddle promoters make it clear that they are offering tax savings, not an investment opportunity. Commissions frequently are determined as a percentage of the desired tax writeoff. Offering materials tout alleged tax benefits. Some even promise to provide clients with legal representation in the event of IRS audits.

The promotional materials for one offshore straddle shelter blatantly advertises tax deferral as a certainty:

The first objective of the (tax shelter) is deferment. And since our taxing system requires voluntary reporting, deferment is a virtual certainty. Losses are created and claimed. The burden of review falls upon the IRS, thus tax payment is deferred until the IRS acts. (Sometimes years.)

If the IRS rejects the claims of the (tax shelter), their decision can be appealed through the tax appeals process. This process can take years to complete. Deferment can be further stretched out through part of the appeals process.

Successful tax reduction is the goal. Deferment is a certainty.

In the last few years, the number and variety of these shelter deals have

increased, and conservative estimates put the revenue loss to the U.S. Treasury at more than \$1.3 billion annually. Straddle shelters have been structured in many commodities. Popular offerings include straddles in precious metals, especially silver and silver futures contracts, and in financial paper, particularly Treasury bills and Treasury bill futures. Individuals can purchase a single straddle, engage in multiple transactions through matched accounts, or invest in partnerships or subchapter S corporations participating in these shelters. Some persons take advantage of straddle shelters through offshore promoters, especially in foreign countries which refuse the IRS access to their records for audit purposes.

The following examples, currently under audit by the Internal Revenue Service, illustrate the enormous revenue losses attributable to tax straddles:

First, an executive with annual income of over \$250,000 from salary, dividends, and interest and substantially appreciated stock, used silver straddles and other tax shelters over the course of several years as a means of not reporting any taxable income. In 1975, this taxpayer had long-term capital gains from the sale of stock of more than \$600,000. Toward the end of the year this executive purchased silver straddles which produced a paper loss of \$600,000. Other tax shelters were used to eliminate the \$250,000 in income. In the next year, more silver straddles were used in an attempt to continue to defer the \$600,000 gain.

Second, another wealthy executive with annual income from salary, dividends, and interest of over \$200,000 sold the stock of his business for a \$10 million profit in 1976 but reported no net capital gains because of a reported offsetting \$10 million short-term capital loss from silver straddles. This reported loss was generated from the loss leg of the straddle—silver contracts were purchased for \$140 million and sold for \$130 million. Of course, the gain leg which was not reported in this year had an unrealized profit of about \$10 million so that the taxpayer had no real loss. Additional silver straddle transactions were entered into in subsequent years in an attempt to continue to defer the gain.

Third, one corporate executive had income from salary and investments of over \$500,000. This taxpayer attempted to report a loss in excess of \$500,000 from a Treasury bill tax straddle and consequently showed a net loss for the year. The taxpayer even received a refund of withheld taxes of over \$38,000. This case, which is currently under examination by the IRS, illustrates the gross distortions in income that taxpayers may attempt to claim

through the use of commodity tax transactions.

Fourth, another taxpayer had a very substantial gain upon liquidation of a business and began engaging in commodities straddle transactions in an attempt to defer tax. This taxpayer attempted to defer approximately \$2 million of gain year after year. It is significant to note that the taxpayer did not have any margin requirements during this time.

Fifth, tax shelter limited partnerships have been formed that claim to act as dealers in commodities and money market instruments. In its first full year of operations, one of these partnerships, with almost 100 partners, recognized an ordinary loss of about \$46 million. At the same time, in commodity futures transactions which it claimed were of an investment nature, the partnership registered \$20 million of short-term loss. Remarkably, its long-term investment transactions resulted in gains totaling almost \$37 million. Such dismal results so impressed investors, that the partnership doubled in size the following year, and investor interest proved fully justified. The enlarged partnership proceeded to lose close to \$70 million—an average of about \$400,000 of ordinary losses for each partner. Meanwhile, investment activities again showed a remarkable dichotomy—short-term capital transactions produced a net loss of almost \$240 million, while long-term transactions resulted in gains of almost \$280 million. All the returns described above are now under audit by the IRS.

In a typical commodity straddle, such as silver, the taxpayer buys and sells equal amounts of commodity futures contracts simultaneously on a commodity exchange. Risk is limited or even eliminated because, although the price of a commodity may gyrate wildly, the spread between two contracts, the buy contract and the sell contract to deliver the commodity in different future months, remains fairly constant.

Any price change in the commodity will cause offsetting increases and decreases in the value of the two sides or legs of the transaction. If the price of silver goes up, the long contract will increase in value because the taxpayer holds the right to purchase at a price lower than the market price, and the short contract will decrease in value because the cost of fulfilling the obligation to deliver the silver is greater than the price at which the taxpayer is obligated to sell the silver.

It is significant to note that the taxpayer does not care whether the price of silver goes up or goes down. Actually, his only concern is that it move one way or the other. Once the price moves, the taxpayer will have an unrealized loss on one leg of the transac-

tion and an unrealized gain of a roughly equivalent amount on the other.

Taxpayers' continuing disregard of the IRS position and their attempts to shelter income through these abusive devices must be stopped. Although IRS presently has authority to prohibit these straddles, it appears that shelter-seeking individuals and corporations will be dissuaded from purchasing these devices only if straddle shelters are outlawed by specific statute. While I believe that the IRS eventually will prevail judicially against these abuses, I also recognize that litigation is lengthy and costly. Therefore, the enactment of specific rules to invalidate straddle sheltering is necessary.

The bill which I have introduced with Representative BRODHEAD is intended to end these shelters by specifically denying deductions for noneconomic losses claimed even though a straddle position continues to be maintained. Taxpayers clearly are entitled to reflect real losses on their tax returns. Hedgers and legitimate speculators must be allowed to reduce their income and gains by losses. But, phantom, paper losses which do not reflect any genuine economic change cannot be fabricated to create enormous tax savings.

When taxpayers sell stock at a loss and immediately replace it with substantially identical stock, present law provides that they may not deduct any loss from that sale. The wash-sale rules in section 1091 of the Internal Revenue Code forbid such manipulation. My bill extends the wash-sale principle to similar transactions in other types of property.

H.R. 1338 also amends the Internal Revenue Code to treat Treasury bills and other Government obligations issued at discount as capital assets. Currently these instruments, but not a futures contract for such obligations, are ordinary assets even if held for investment. Accordingly, a taxpayer holding a futures contract in such Treasury obligations which has declined in value, would have an inducement to take delivery of the Treasury obligations, and immediately sell the obligation thus producing an ordinary loss.

In testimony May 22, 1980, before the Commerce, Consumer, and Monetary Affairs Subcommittee, which I chair, officials of the Treasury Department expressed their strong concerns that tax-motivated trading and delivery demands could seriously and adversely impact Treasury's debt management policies and objectives:

Many transactions in these markets have been undertaken for speculative purposes. A 1979 CFTC survey estimated that noncommercial traders accounted for 81.7%, 72.6%, and 66.4%, respectively, of the open interest in the GNMA, T-bill and T-bond contracts. These are the traders most likely to use the market for speculative and tax purposes.

Speculative activity can adversely affect Treasury's debt management responsibility to the extent that it disrupts the underlying cash market for Treasury securities. Destabilizing speculation would increase the price risk of Treasury securities, making investors less receptive to new issues and decreasing the liquidity of the important secondary market for Treasury securities.

The Treasury futures contracts now trading or proposed are all based on a presumption that supplies of cash market issues with requisite maturities will be readily available to meet any demands for delivery that may develop from market participants holding long positions in the futures. A concern is that pressure may be exerted on Treasury to increase the deliverable supply of a particular issue if the existing supply is too small and subject to manipulation in the market.

There is an added problem with contracts in Treasury notes because Treasury debt management tactics might change before the delivery date of a contract already trading. In this case, a much smaller supply of deliverable securities would be available than had originally been expected. Again, pressure might be exerted on the Treasury to modify its longer-run debt management objectives.

These markets have grown very rapidly in recent years, increasing Treasury's concerns. For instance, the 3-month Treasury bill future contract volume exceeds the cash market in that area, about \$2 trillion in 1979 and almost \$3 trillion in 1980.

Tax-motivated trading has contributed to market instability and may also affect the commodity's price or availability. The economic purpose of the futures markets should not be distorted by positions taken only for tax purposes.

It should be noted that hedgers, such as farmers or cereal processors, who establish offsetting positions in commodity futures contracts in order to protect their selling price or costs and then close out their positions, may recognize any otherwise allowable loss sustained on those positions.

I have attached a copy of the bill and a technical explanation and I urge interested Members to join us in this legislation. The full collection of tax revenues is perhaps more important now than it has ever been. These revenues could be used to offset the costs of stimulative tax proposals now under study in the 97th Congress.

More importantly, the effect of these tax straddles and shelters which allow certain very wealthy individuals to evade legitimate tax liabilities increase the tax burden on the rest of us—so that many Americans pay not only their fair share but more. Public policy and basic fairness require the prohibition of phantom losses from becoming income tax deductions and a more equitable distribution of tax liabilities.

H.R. 1338

A bill to amend the Internal Revenue Code of 1954 with respect to straddles, and for other purposes

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

SECTION 1. POSTPONEMENT OF RECOGNITION OF LOSSES, ETC.

"(a) GENERAL RULE.—Part VII of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to wash sales of stock or securities) is amended by adding at the end thereof the following new section:

"SEC. 1092. STRADDLES.

"(a) GENERAL RULE.—In the case of a straddle—

"(1) that portion of any loss with respect to such straddle which exceeds the recognized gain with respect to such straddle shall be treated as sustained not earlier than the close of the balanced period, and

"(2) the running of the holding period for each position which is part of such straddle shall be suspended for the balanced period.

"(b) STRADDLE DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'straddle' means offsetting positions with respect to personal property.

"(2) OFFSETTING POSITIONS.—A taxpayer holds offsetting positions with respect to personal property if there is a substantial diminution of the taxpayer's risk of loss from holding any position with respect to personal property by reason of his holding 1 or more other positions with respect to personal property (whether or not of the same kind).

"(3) PRESUMPTION.—

"(A) IN GENERAL.—For purposes of paragraph (2), 2 or more positions shall be presumed to be offsetting if—

"(i) the positions are customarily treated as offsetting positions (whether or not such positions are called a straddle, butterfly, or any similar name),

"(ii) the aggregate margin requirement for such positions is lower than the sum of the margin requirements for each such position (if held separately), or

"(iii) there are such other factors as the Secretary may by regulations prescribe as indicating that such positions are offsetting.

"(B) PRESUMPTION MAY BE REBUTTED.—Any presumption established pursuant to subparagraph (A) may be rebutted if the taxpayer establishes to the satisfaction of the Secretary that the positions were not offsetting.

"(c) BALANCED PERIOD.—

"(1) IN GENERAL.—For purposes of this section, the term 'balanced period' means any period during which the taxpayer holds the straddle plus the 30-day period after the day on which the positions which make up the straddle cease to be offsetting.

"(2) SHORTENING OF 30-DAY PERIOD WHERE TAXPAYER DISPOSES OF ALL POSITIONS.—If, before the close of the 30-day period specified in paragraph (1), the taxpayer disposes of all the positions which make up a straddle, the balanced period shall be treated as ending on the day on which the taxpayer makes the last such disposition.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) PERSONAL PROPERTY.—The term 'personal property' means—

"(A) commodities,

"(B) evidences of indebtedness,

"(C) currency, and

"(D) any other type of personal property.

"(2) POSITION.—

"(A) IN GENERAL.—The term 'position' means an interest (including a futures contract or option).

"(B) SUCCESSOR POSITION.—If the taxpayer (within the period beginning 30 days before and ending 30 days after the date of the disposition of a position) acquires a successor position, such successor position—

"(i) shall be treated as the same position as the position to which it succeeds, and

"(ii) shall be treated as held on each day which intervenes between the disposition of the interest which it succeeds and the day on which such successor interest is acquired.

For purposes of the preceding sentence, personal property acquired by the taxpayer pursuant to a futures contract, option, or other interest shall be treated as a successor position to such interest.

"(3) POSITIONS HELD BY RELATED PERSONS, ETC.—

"(A) IN GENERAL.—In determining whether 2 or more positions are offsetting, the taxpayer shall be treated as holding any position held by a related person.

"(B) RELATED PERSON.—For purposes of subparagraph (A), a person is a related person to the taxpayer if—

"(i) the relationship between such person and the taxpayer would result in a disallowance of losses under section 267 or 707(b), or

"(ii) such person and the taxpayer are under common control (within the meaning of subsection (b) or (c) of section 414).

For purposes of clauses (i), an individual's family shall consist only of such individual, such individual's spouse, and a child of such individual who has not attained the age of 18.

"(C) CERTAIN FLOW-THROUGH ENTITIES.—If part or all of the gain or loss with respect to a position held by a partnership, trust, or other entity would properly be taken into account for purposes of this chapter by a taxpayer with respect to whom the entity is not a related person, then, except to the extent otherwise provided in regulations—

"(i) such position shall be treated as held by the taxpayer, and

"(ii) the offsetting positions held by the taxpayer shall be treated as held by the entity.

"(e) CROSS REFERENCE.—

"For provision requiring capitalization of certain interest and carrying charges where there is a straddle, see section 263(g)."

"(b) CLERICAL AMENDMENTS.—

(1) The table of sections for such part VII is amended by adding at the end thereof the following new item:

"Sec. 1092. Straddles."

(2) The heading for such part VII is amended to read as follows:

"PART VII—WASH SALES; STRADDLES."

(3) The table of parts for subchapter O of chapter 1 of such Code is amended by striking out the item relating to part VII and inserting in lieu thereof:

"PART VII. WASH SALES; STRADDLES."

SEC. 2. CAPITALIZATION OF CERTAIN INTEREST AND CARRYING CHARGES IN THE CASE OF STRADDLES.

Section 263 of the Internal Revenue Code of 1954 (relating to capital expenditures) is amended by adding at the end thereof the following new subsection:

"(g) CERTAIN INTEREST AND CARRYING COSTS IN THE CASE OF STRADDLES.—

"(1) GENERAL RULE.—No deduction shall be allowed for interest and carrying charges properly allocable to personal property

which is part of a straddle (as defined in section 1092(b)). Any amount not allowed as a deduction by reason of the preceding sentence shall be chargeable to the capital account with respect to the personal property to which such amount relates.

"(2) INTEREST AND CARRYING CHARGES DEFINED.—For purposes of paragraph (1), the term 'interest and carrying charges' means—

"(A) interest on indebtedness incurred or continued to purchase or carry the personal property, and

"(B) amounts paid or incurred to insure, store, or transport the personal property."

SEC. 3. CERTAIN GOVERNMENTAL OBLIGATIONS ISSUED AT DISCOUNT TREATED AS CAPITAL ASSETS.

(a) GENERAL RULE.—Section 1221 of the Internal Revenue Code of 1954 (defining capital asset) is amended by striking out paragraph (5) and by redesignating paragraph (6) as paragraph (5).

(b) TECHNICAL AMENDMENT.—Subparagraph (D) of section 1231(b)(1) of such Code is amended by striking out "paragraph (6)" and inserting in lieu thereof "paragraph (5)".

SEC. 4. PROMPT IDENTIFICATION OF DEALER TRANSACTIONS IN SECURITIES.

Subsection (a) of section 1236 of the Internal Revenue Code of 1954 (relating to gains and losses of dealers in securities) is amended by striking out "30th" each place it appears therein.

SEC. 5. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act shall apply to property acquired by the taxpayer after January 27, 1981, in taxable years ending after such date.

(b) SECTION 4.—The amendment made by section 4 shall apply to property acquired by the taxpayer after the date of the enactment of this Act in taxable years ending after such date.

TECHNICAL EXPLANATION OF H.R. 1338

This bill would amend the Internal Revenue Code by providing new rules governing the taxation of straddles, "cash and carry" transactions, and related matters.

The bill would limit tax sheltering through straddle transactions by postponing the recognition of losses on certain straddle positions while the taxpayer continues to maintain offsetting positions in a straddle.

The bill would provide that if a taxpayer holds a straddle (i.e. offsetting positions), the portion of any loss which exceeds recognized gain from the positions may not be recognized for the period during which the taxpayer holds the offsetting positions plus the 30 days after the day on which the positions cease to be offsetting.

However, if the taxpayer disposes of all of the offsetting positions before the close of the 30-day period, the balanced period is treated as ending on the day of the last such disposition by taxpayer. Thus, taxpayers who close out their offsetting positions would be allowed to recognize, at that time, any otherwise allowable loss sustained on such positions. This rule would benefit hedgers, such as farmers or cereal processors, who establish offsetting positions in commodity future contracts in order to protect their selling price of costs until the actual sale of their crops or the purchase of their inventory requirements.

In addition, the running of holding periods for each of the straddle positions would be suspended for the balanced period, generally the period during which the positions are offsetting plus 30 days. However, in determining the taxpayer's holding period for any position, any period during which the position was held prior to the establishment of an offsetting position could be tacked on any period during which that position was held after the close of the balanced period.

The bill defines the term "straddle" as offsetting positions with respect to personal property. Under the bill, a taxpayer would hold offsetting positions if there is a substantial reduction of the taxpayer's risk of loss from holding any position with respect to personal property because the taxpayer also holds one or more other positions with respect to personal property (whether or not of the same kind).

The bill would create a rebuttable presumption that two or more positions are offsetting under specified circumstances. If two or more positions are customarily treated as straddles or offsetting positions (whether or not called a straddle, butterfly, or similar name) or if the aggregate margin requirements for such positions is lower than the sum of the margin requirements for each such position (if held separately), the positions would be presumed to be offsetting unless the taxpayer establishes that they are not offsetting. The Secretary could prescribe by regulations other factors which indicate that two or more positions are offsetting and which would establish a rebuttable presumption that the positions are offsetting.

The bill would apply to positions in personal property which are interests, including futures contracts or options, in commodities, evidences of indebtedness, currency, and other types of personal property. If a taxpayer, within the period beginning 30 days before and ending 30 days after the date of the disposition of any position which is part of an offsetting position, acquires a successor position, such successor position shall be treated as the same position as the position to which it succeeds. In addition, a successor position shall be treated as held on each day which intervenes between the disposition of the interest which it succeeds and the day on which such successor position is acquired. Personal property acquired by a taxpayer pursuant to a futures contract, option, or other interest will be treated as a successor position to such interest.

The bill would provide that positions held by related persons are treated as held by the taxpayer for purposes of determining whether any positions are offsetting. Under the bill, a person is a related person to the taxpayer if the relationship between such person and the taxpayer would result in a disallowance of losses under section 267 or 707(b), or if such person and the taxpayer are under common control (within the meaning of subsection (b) or (c) of 414). However, an individual's family would consist only of the individual, his or her spouse, and the individual's children under 18 years of age. In addition, the bill provides attribution of positions to and from a partnership, trust, or other entity if any gain or loss with respect to a position held by such entity would properly be taken into account by a taxpayer with respect to whom the entity is not a related person.

The bill would limit tax sheltering in so-called "cash and carry" transactions by requiring taxpayers to capitalize interest and

carrying charges properly allocable to personal property which is part of a straddle (as defined above). No deduction would be allowed for such charges, which would include interest on indebtedness incurred or continued to purchases or carry the property, and amounts paid or incurred for insurance, storage costs, and transportation costs.

In order to preclude manipulation of the character of gain or loss as ordinary income or loss, or capital gain or loss, the bill provides that obligations of the United States, of its possessions, of a State or political subdivision of a State, or of the District of Columbia, issued on a discount basis and payable without interest in less than one year, would be treated as capital assets in determining gain or loss. Thus, these obligations would be treated by the holder in the same manner as similar debt obligations. Any discount at issue would be treated as interest under generally applicable tax rules.

The bill would require a dealer in securities to identify a security as held for investment not later than the day after the date of the security's acquisition instead of before the expiration of the 30th day after its acquisition, as required under present law.

Except for the change in identification of dealer transactions in securities, the amendments made by the bill would apply to property acquired by the taxpayer after January 27, 1981, in taxable years ending after such date.

The amendment pertaining to dealer identification of securities held for investment would apply to property acquired by the taxpayer after the date of enactment in taxable years ending after that date.●

MEDICAL BENEFITS

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. JOHN L. BURTON. Mr. Speaker, today I am reintroducing a bill to provide medical benefits to ex-spouses of military personnel who had been married for 20 years. This legislation would rectify one of the present inequities and inconsistencies with other Federal laws, including social security and medicare, which grant benefits to divorced spouses.

Current law deprives spouses, the vast majority of whom are middle-aged women, of medical coverage upon divorce. These women have served their families and our Nation for 20 years, and have represented one-half of a military partnership. At divorce, however, the law denies their economic contributions, ignores their sacrifices, and casts them into a lonely world with no security.

Many of those affected by this legislation lack work experience or the education requisite to obtain employment—and employers are reluctant to hire them. Those who have obtained court orders to receive funds from their ex-husbands as compensation, find that these court orders are non-enforceable because military pay

cannot be garnished under these circumstances. Others receive no fault divorce decrees. Almost all are left with no medical coverage and next-to-no resources.

The present law is inequitable and places an unfair hardship on divorced military spouses. I hope that the Members of this House will give their full and sympathetic consideration to these, the forsaken spouses, when this legislation comes before you.●

KING REMEMBERED

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. DYSON. Mr. Speaker, an editorial by Trilla Ramage, in the January 14, St. Mary's Beacon, shows us that the death of Martin Luther King had an impact that transcended the urban populations. We, of the rural communities, have as much interest in the well-being of the American people as we do in maintaining the heritage of our farmland communities—only our approach is different. I insert the editorial as a sign of our interest in the future of the dream.

KING REMEMBERED

As a country torn by division and suffering, we walked the back roads of our own bigotry and hatred with the late Martin Luther King.

America, black and white, sailed her hopes for a better tomorrow on King's vision of equality for all people during the upheaval of the 1960s. Head of the Southern Christian Leadership Conference, King was catapulted into national prominence during the 1955 Montgomery, Alabama bus boycott.

The strategy of non-violent protest became the trademark of the black, trouble-shooting preacher.

King won international recognition receiving the 1964 Nobel Peace Prize for his contributions to the struggle and advancement of human rights.

August 28, 1963 King led 250,000 Americans in a march on Washington, D.C. to demand a constitutional amendment guaranteeing equal treatment under the law. Their voices were heard with its passage.

Tomorrow, on King's birthday, another march will be led on Washington by King's wife, Coretta, and black entertainer Stevie Wonder. They are asking Americans to "take" the day off in remembrance of struggle, past and present, to combat injustice and discrimination of a person's race, religion or creed.

Ironically, they will march to Capitol Hill, in a testament to our progress and the steps still needed to be taken in claiming the dream. It was that same hill in 1968 where M-50 machine guns were mounted for use during the racial riots of the summer following King's death.

Let us hope the bullet that gunned down King in Memphis and so many other Freedom Fighters did not shatter the conviction and courage necessary to educate and insure people of their rights.

King's life spoke to us of what might be—what could be—in this land. The riots are passed and over with, but what will be our legacy?

Preventive action for the aged, disadvantaged and the forgotten needs to be a focus during the decade ahead. Both the St. Mary's County Human Relations Commission and NAACP have stated the need for a more open, vital dialogue in the community.

"It behooves us to do some preventive kinds of things in the community in the 1980s," Jonathan Nelson of St. Mary's County's NAACP recently said. It behooves us not to forget the message of King's life and death.

The dream needs not to end before we are able to catch a glimpse of the vision King held before us: America's real dream. ●

ANY FUTURE EMBASSY TAKEOVERS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. PARRIS. Mr. Speaker, I have today introduced a House resolution expressing the sense of the House in regard to what steps should be taken by the United States in the event of a future Embassy takeover.

I believe it is essential that America have a clear-cut plan to deal with any attempts to violate our Embassies in foreign countries or to hold our recognized diplomatic personnel hostage. The absence of such a plan could invite further extortion attempts by any terrorist group which sought notoriety for their cause.

It is the responsibility of Congress to "define and punish piracies and felonies committed on the high seas and offenses against the law of nations." This power is conferred upon the Congress through article I, section 8, clause 10 of the Constitution.

I would like to insert at this time an editorial from the Washington Post of January 25, 1981, an article by James Bond Stockdale which also appeared in the January 25 Washington Post and a commentary given by Walter Cronkite on the CBS radio network for my colleagues' use and information.

The article follows:

[From the Washington Post, Jan. 25, 1981]

THE CRISIS NEXT TIME

On the opposite page today, Vice Admiral James B. Stockdale, who was a prisoner of war in Hanoi for eight years, writes a stunning critique of the way this country—its institutions and its individuals—plays into the hands of those who hold its citizens captive. He believes, among other things, that our efforts to win partial concessions and provide little mercies actually work to make things worse for the captives and/or to prolong their captivity. In the same space last week, Israel's Moshe Dayan, no stranger to these affairs, also argued for a more clear-cut, direct and forceful American stand in any future such episodes, suggesting that stealthy, dark of night "apologetic" at-

tempts at Entebbe-like action were inappropriate to this country's power and circumstances. To us both men's positions have an authenticity that proceeds not just from their special qualification to speak, but equally from the logic of what they say.

Even as the returning American hostages must still be unaccustomed to their freedom and obliged to remind themselves from time to time that it's okay to say what they please, so too the American public, restrained until now by concern for the hostages' safety, will probably need some time to understand that it can also speak freely at last and without inhibition. And in a general way it no doubt will need some reminding that all complaint and criticism of past policy is not, repeat not, the forbidden and legendary "nightmare of recrimination" against which the more voluble among us are continually being warned.

Perhaps because we in this country have had a few truly raw experiences with after-the-fact blaming and purging and scapegoating when our foreign relations went wrong, we are almost neurotic in our anxiety to avoid any disagreeable arguments concerning our overseas failures now. "Let's look to the future," we are admonished, "not dwell on the past. . . . There's blame enough for everybody. . . . It's easy to say what was wrong in hindsight. . . . Let's not turn this into a 'Who Lost China' debate. . . ." and so forth. But there is a huge difference between merely nasty, politically motivated charges concerning a defeat or setback abroad and the rigorous, unsentimental inspection of how and where we went wrong that is essential to recovering from it—and to preventing a repetition of our mistakes next time around.

Only a fool would claim that there exists somewhere in the realm of objective fact a collection of all-purpose rules for dealing with these terror situations—and one that is accessible to anyone who is willing to think rationally about the subject. No number of well-intended inquiries is going to provide us with a set of perfect guidelines to haul down from the shelf and follow the next time the unthinkable happens. But there is plenty in the case of the embassy hostages that needs to be reviewed and subjected to the toughest and most unprotected scrutiny for the sake of doing things better in the future: the role of the media, the appropriateness of negotiations, the attitude toward the use of force, the attitude toward the well-being of the hostages and the way in which their well-being is a part of more comprehensive national interests.

With the exception of the hostages themselves, we don't think anyone will come out of such an inquiry looking awfully prescient or good. But that is not a reason to avoid such inquiry. On the contrary, it suggests precisely why such an inquiry must be undertaken.

[From the Washington Post, Jan. 25, 1981]

THE HOSTAGES AS "EXTORTIONIST THEATER"

(James Bond Stockdale)

As an eight-year beleaguered and bludgeoned captive of Hanoi who spent most of that time in solitary confinement, I have in recent months been bombarding audiences from the eastern seaboard to Ohio to California with the message that America has been inviting future hostage disasters by so naively providing both actors and audiences in support of the new worldwide art form, "Extortionist Theater"—most recently successfully produced by Iran. Every outlaw power and terrorist group in the world

surely took note of how Jimmy Carter's queasiness about the threat or use of force, and our national demand for continuous TV hostage soap opera, provided the positive and negative terminals of a power source into which they could plug a few American captives for profit and prestige. We got ourselves into this tempting and vulnerable position by backing into what became a national stance roughly attuned to a misguided popular sentiment that fell out of highly questionable if not false assumptions about the basic nature of the captivity problem. On my road show, I contrasted some of these assumptions with the reality I knew behind barbed wire and proceeded to tear them apart. The sample below will give you an idea of what I mean.

FALSE ASSUMPTION NO. 1

"We must not hammer the captors or they'll take it out on the captives." Ask any of the 400 Americans in the prisoners' organization in Hanoi and they'll tell you that our North Vietnamese jailers were never more sweet than right after Col. Bull Simon's Son Tay helicopter rescue attempt (when he shot up a couple hundred of them, and they in turn, for security reasons, felt obliged to bring us leaders out of solitary and put all prisoners together in better living conditions in the big prison downtown), or during the B52 bombings in December 1972 (when formerly abusive guards dropped their posturing and meekly broke precedent by bringing us tubs of hot coffee each dawn). Our bones got broken as often as not during America's sporadic bombing pauses when we were showing national "good will." Does the Iranian experience correlate with this? I think it does. Being nice to the enemy so he'll be nice to your captives is still a bush-league idea.

FALSE ASSUMPTION NO. 2

"We as a country are doing best by the captives if we support the infusion of 'a little bit of home' into their lives by sending visitors, at least during the Christmas season." Rev. Do-Good, or even William Sloane Coffin and Ramsey Clark, some Americans believe, are better than nobody. To fully realize the evil these people do, the damage they wreak on the morale and self-respect of the captives, one has to appreciate the tremendous ennobling and uplifting effect the overcoming of shared hardships has on a band of prisoners over time. In Hanoi, the greater the degradation and torture and the more years we withstood this together, the deeper grew the bonds of mutual respect and love for each other. Our world literally became our band of brothers, and personal pride and reputation among our peers our total life's investment. Captors became symbols of tinhorn fakery.

Imagine now the stage of Extortion Theater onto which enter "the friendly representatives of the people back home"—all of whom are necessarily admitted as supplicants, as apologists. Moreover, these visitors are psychologically committed to dragging the captives before cameras as actors in the supplicant role. "Let the people at home see you" or "The intelligence people want to see you," they probably say. Though feeling humiliation, few captives can muster the emotional energy to take on these American finks as enemies. Each has enough enemies to concentrate on even though these so-called friends are on the make, and they destabilize and damage the prisoner's life. Sometimes these finks damage his most prized possession: his reputation. Ramsey Clark came to Hanoi and incited American

prisoners of war to violate their Code of Conduct and got a few takers. When does he account for that and for the disinformation he spread about the situation in Iran?

FALSE ASSUMPTION NO. 3

"Any release is a good release; if they'll agree to return 5 out of 52 next week, encourage it." Thank goodness this is often identified as a poor bargaining idea as seen from Washington; what our politicians and countrymen in general need to understand is the true and total perniciousness of early releases as seen from within that band of brothers behind barbed wire. Each person who walks out ahead of the others leaves behind him a trail of lifelong grudges and broken unity, and he installs within himself a time bomb of depressive remorse.

The early release idea also has the potential of providing the producers of Extortionist Theater with a grand finale act featuring the captives scrambling for places in line to go home by scoring high in an anti-American propaganda production contest. Hanoi had something like that in mind for us POWs, but I and others finessed that finale with strict orders to all Americans that there would be no exception to the Code of Conduct's prohibition against accepting parole. I also outlawed the accepting of amnesty. After our release, my constituents demanded justice in the form of prosecution of the few who bugged out in violation of my orders. Funny thing, though; I couldn't find anybody in Washington who understood the problem.

These problems and a dozen more like them need to be understood if we are going to truly shut down Extortionist Theater on a "never again" basis. This country has to get itself in hand, get its actors off the stage and get our audiences ready to shed not tears but rotten eggs and at least a credible threat of bombs and bayonets the minute the next bunch of punks tries to pull our chain by taking prisoners.

WALTER CRONKITE REPORTING, MONDAY,
JANUARY 19, 1981

This is Walter Cronkite reporting from Washington with news and commentary on the CBS Radio Network. Signaling the end of one of the most bizarre episodes in all of diplomatic history, Iran's chief hostage negotiator told his nation this morning, I think the adventure is reaching its final point. The adventure, he called it. In the midst of today's understandable and legitimate euphoria over the end of the hostages' 14-and-a-half month ordeal that phrase merits some sober reflection. It was 443 days ago that an Iranian mob stormed the American Embassy in Teheran and took the Americans there hostage. While the takeover was accomplished by groups of militant young people, it quickly was endorsed and embraced by the new authorities in Iran. It became in effect a kidnapping by a sovereign government, the violation by that government of the whole codex of diplomatic principles and usage, an act of war. For a variety of reasons, Iran did not have to suffer the full consequences of that act. The long nightmare for the hostages did cost the Iranians economically, in terms of international isolation and in their war effort against Iraq. But the hostage adventure also had its uses for several factions in the alley fight of Iranian politics, and in the progress of their revolution. They got what they could from their adventure, and then abandoned it as a change in personalities and policies in Washington loomed on the horizon, with all too little in the way of price or

penalty paid. This is not to fault the deal struck by the Carter Administration to free 52 imprisoned Americans. It is, however, to recognize that there is little in this whole bizarre, unprecedented episode that might stand as deterrent, or even discouragement to similar unlawful acts in the future. And that is a fact that should temper our celebration today. Nor should we forget the kind of precedent the Iranians have set. Diplomatic links between nations are fragile enough, in any case, in our unstable and frequently revolutionary world. The image of a revolutionary government establishing an office of hostage affairs, and haggling for months over ransom terms, is a foretaste of international anarchy. Our anger at the Iranians may soften today and ease in the days to come. But that is sure to be a slow process, and lot of bitterness will remain for a very long time. And it will be in the interests of the Reagan Administration gradually to improve relations with whatever government happens to rule Iran. The rhetoric of righteous anger aside, Iran's strategically critical location on the Persian Gulf dictates such a course for any American government. At the same time, we cannot simply forget what has happened. Our diplomacy elsewhere has been hobbled, and our domestic politics shaped, perhaps even warped, by the crisis. And it's been grievously hard on both our self-image and our image abroad. Most important, a new brand of terrorism has been initiated, openly indulged in by the government of an independent nation. The world has not really come to grips with that. And until it does, we could face new hostage ordeals in the future. We might give some more thought to that after these hostages are home.●

HONORING BERNARD J. GANLEY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. MURTHA. Mr. Speaker, it is a pleasure to honor Bernard J. Ganley who is retiring from the Indiana University of Pennsylvania after 20 years of service to the university.

During that time he saw the university grow tremendously, not only in the raw numbers of students and buildings and faculty, but in the excellence of the university, in its research, its academic standing, and its service to the community.

Bernie's own change at the university mirrored that progress. He came to the school as the track and assistant football coach, then moved up to assistant dean of men and acting dean of men. Eventually, he became vice president for administration, and also served a period as president of the university.

During my work with Bernie, I have always found him to possess the highest academic standards, to show a firm and positive commitment to the university and the community, and to possess a wonderful concern for the faculty, students, and administrators he worked with and learned with over the years.

As Bernie Ganley completes 35 years in education in the State of Pennsylvania, I am proud to cite this record in the CONGRESSIONAL RECORD of the U.S. Congress because it is at the highest level of service and commitment that is a hallmark of our great Nation and its people.●

A NEW YORKER PAYS TRIBUTE TO PRESIDENT REAGAN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BIAGGI. Mr. Speaker, I would like to insert into the RECORD a poem written by Rabbi Baal Ha Tov of New York City in honor of the inauguration of Ronald Reagan. Rabbi Baal Ha Tov is a good example of the hope and optimism which characterizes our Nation today, especially in light of the release of our 52 citizens from Iran. The rabbi has been occupied during the past 2 weeks collecting signatures of dignitaries on a beautiful picture which he drew in honor of our new President where this poem is inscribed. I commend it to the attention of my colleagues:

REAGAN'S REALISM—AMERICAN IDEALISM

(By Rabbi Baal Ha Tov)

Ronald Reagan whom we Honor and Behold,
Engaged in dialogue between young and old,
Resolute in courage, reason, wisdom, bold
Our Land, Its People, Fabric to mold
On the horizon of a Great American to unfold
Formidable Leadership, New Direction
stronghold
We salute to stars and stripes that entail,
We salute to freedom and liberty, never us
to fail
We salute U.S. Democracy heritage avail,
We salute the American dream forever to prevail.
We salute all presidents for their bravery
and heroism we hail
We salute the Commander-in-Chief, wish
him every success,
Nationship to sail.
We salute the Chief for his eminence,
His unique guidance,
His keen intelligence,
His unsurpassed competence,
His valiant performance,
in conquering national decadence.
We salute a brilliant strategist,
Perceptive ideologist,
A realistic individualist,
Indispensable protectionist,
An invincible American Protagonist.
It is a formula of freedom, a revival pact
For an era of renewal, of bouncing attack.
To rescue our Nation from economic slack
Our Democracy to move to its previous track
On the road to prosperity, and dignity back
With Ronald Reagan's prophetic almanac.
We salute the Chief
To strive, to make us
Sound and Strong,
Hailing to the endless throng,

Sing a song
Tales of Old Glory,
Peace and Happiness
A never-ending story.
We salute the inauguration celebration, all
the way.
America honors you for dedication, devotion
you display
America needs you day by day
To safeguard the U.S.A.●

**PRESENTING GOLD MEDALS TO
SERVICEMEN WHO DIED IN
IRAN**

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. GUARINI. Mr. Speaker, today I am introducing legislation which would authorize the President of the United States to present gold medals to the families of the Americans who died in the ill-fated attempt to rescue the American hostages in Iran.

On the night of April 24, 1980, an elite American commando team lifted off the deck of the carrier U.S.S. *Nimitz* in the Arabian Sea in a courageous effort to liberate the hostages. But three of their helicopters were crippled en route or in the desert staging area, and the mission was forced to be canceled. As the team prepared to evacuate, a helicopter collided with a transport plane, shattering the calm night with a fountain of flaming debris. The result was the death of eight American servicemen. It was these men who made the supreme sacrifice.

In this time of joyous celebration for our recently freed American hostages, we must not, nor cannot allow ourselves to overlook the unselfish efforts of these eight Americans. And we must not, nor cannot allow ourselves to overlook the eight grieving families of these servicemen. It is not an everyday occurrence that men of such high caliber would so unselfishly risk their lives in an attempt to save 53 people. It is an even more outstanding event when one realizes that the only common bond the former hostages and the deceased servicemen shared was the bond of American citizenship. But that bond was enough. These eight servicemen symbolize the spirit of America, a spirit in which, even in the darkest of times, cannot and will not be broken. And it is this spirit of the servicemen and their families which we need to honor.

To me, this dauntless sacrifice exemplifies the unity of the American people and their willingness to fight for what we believe in. Therefore, I would urge all of my fellow Congressmen to join me in supporting this bill which will authorize President Reagan to present, on behalf of the Congress, gold medals to the families of Harold

L. Lewis, George N. Holmes, Jr., Richard L. Bakke, Charles T. McMillan II, Lyn D. McIntosh, Dewey L. Johnson, John Davis Harvey, and Joel C. Mayo, in recognition of the patriotism and courage exhibited by these men in their heroic efforts of April 24, 1980.

John F. Kennedy once said that:

The courage of life is often a less dramatic spectacle than the courage of a final moment; but it is no less than a magnificent mixture of triumph and tragedy. A man does what he must—in spite of personal consequences, in spite of obstacles and dangers and pressures—and that is the basis of all human morality.

In view of all the national and international attention the former hostages have recently been receiving I believe it only fair that the men who gave their lives attempting to end the hostages' ordeal also be recognized and in some small way be rewarded. It is the least we can do as a grateful nation. Thank you.●

**U.S. ARMY ASSOCIATION ON
STATUS OF FREEDOM**

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. DOWNEY. Mr. Speaker, there recently arrived in my office a booklet entitled "The Status of Freedom, A Year-End Assessment" by the Association of the U.S. Army.

I opened it, I am a trifle embarrassed to admit, expecting to find a simple-minded equation of freedom with the absence of communism, a kind of heritage foundation report in olive drab. Instead, I read a perceptive, balanced, and quite sophisticated summary of the political balance in various nations around the world. I found a sincere concern for freedom, with the term used as Webster defines it. This is not to say the report is without flaws; its military analysis is a bit on the simplistic side and places undue emphasis on numerical bean counting. But all in all, it is a very creditable piece of work.

I will not insert it in the RECORD because of its length, but I urge my colleagues to read and file it rather than sending it the way of most unrequested reports.●

**STATEMENT ON RETIREMENT
OF GLEN W. KELLY**

HON. WAYNE GRISHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. GRISHAM. Mr. Speaker, in an age when all we seem to read about is the problems faced by our communities, it is indeed a pleasure to place in

this RECORD a tribute to a man who, in his 35 years of service to the Whittier Union High School district, never worried about problems, but was always working on solutions.

Glen W. Kelly was born on January 2, 1921, graduated from Whittier High School in 1938, and then from Whittier College in 1942. Unlike so many others, Glen focused his energies back on the community that gave him so much, and in so doing earned the respect and gratitude of all who he has helped over the years.

Glen began his career as coach of the Whittier High basketball team, compiling a record that includes eight league championships and a C.I.F. championship. As a coach, he devoted himself to building the mental and moral character of the young men he coached, as well as their athletic abilities. Many of his players and students he has taught have gone on to become strong leaders within the Whittier community and other areas of our Nation.

As an English and history teacher for 5 years and then as athletic director for another 10 years, Glen served the community and brought to his students the same dedication that he had given to his teams. Glen's abilities as an educator and an administrator won the admiration of all who came in contact with him, and his efforts were rewarded when he was appointed principal of Monte Vista, a position in which he served with commitment and dignity for the next 15 years. For the past 2½ years he has continued to contribute to the Whittier Union School District as special assistant to the superintendent.

The experience of a man of this caliber will be sorely missed by all who have worked with him. He will never be replaced, for a man of his understanding, compassion, and dedication comes along only once in a lifetime.

I am sure that Glen's wife Muriel, daughters Shiela and Maureen, and son John, share in our community's pride.

I hope that the members of this Congress will recognize the inspiration that can be gained from Glen Kelly's example, and will pass this inspiration on to members of their own communities. Glen Kelly's career exemplifies the American spirit. We can all learn from him.●

**THIRTY-ONE NEW AMERICAN
CITIZENS**

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. LONG of Maryland. Mr. Speaker, it is with particular pleasure that I congratulate 31 residents of Mary-

land'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: Gladstone Ademiluyi, Vasilios Hapsis, Ingeborg Osterchrist, Peter Osterchrist, Pamela Rose, George Bilis, Mrs. Alekyutty, Joseph Benamor, Raisa Moshinskaya, Antonio Naval, Tjin-Siong Lay, Bankimchandra Vaishvan, Sung Kim, Chih-Yuan Liaw, Aristofanis Lessis, Helga Hoesch, Dvora Fromberg, Ernesto Leon, Mark Chudnovsky, Lilian Chudnovsky, Fatme Kanaan, Tae Kim, Mariam Zwald, Ruly Yoediono, Ingka Yoediono, Kozo Murakoshi, Raimondo Lubrano, Lakshmi Kashyap, Maria DeLara, Marvin Thoms, and Gertrud Thoms.●

STATEMENT UPON INTRODUCTION OF LEGISLATION TO PROVIDE SCHOLARSHIPS TO CHILDREN OF PUBLIC SAFETY OFFICERS KILLED IN THE LINE OF DUTY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation, as I have since the 95th Congress which would provide scholarships for the dependent children of public safety officers who are killed in the line of duty, the Public Safety Officers Memorial Scholarship Act.

My concern for the children of these officers stems from my 23-year career as a New York City police officer. During that time, I witnessed the need for protecting the future educational opportunities for children of officers. Today, with the skyrocketing costs of education, the need for these scholarships becomes even greater. It is but a small, yet important tribute we can pay to the heroic efforts of men and women who lose their lives so that others may be protected from the criminal element in our society.

As a senior member of the House Education and Labor Committee, I have been a strong advocate for our Federal programs which provide thousands of students educational opportunities in the form of grants and subsidized student loans at low interest rates. In the 96th Congress, I was an original cosponsor of the Education Amendments of 1980 which authorized \$50 billion in aid for students and institutions over the next 5 years. This bill that I am introducing today provides an additional critical component

to our programs under the Higher Education Act to assure that children of officers will be assured access to a postsecondary education. While these children are also eligible for other financial aid programs under this act, these scholarships will help to supplement their awards and minimize any barriers they might encounter in paying for their college education.

The need for this legislation is great and its costs will be minimal, compared to the costs of a dependent child of an officer not going to college because they could not afford to. Our law enforcement officials regularly risk their lives for all of us. Fortunately, few have to make the ultimate sacrifice in their jobs, but when they do, we should stand ready to help their families in any and every way possible. This bill will address a small, but important need of assuring a college education for their children and I urge my colleagues to join me in supporting it.●

CUTTING THE U.S. CONTRIBUTION TO THE UNITED NATIONS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. PHILIP M. CRANE. Mr. Speaker, in the last decade the United Nations has enacted numerous measures inconsistent with the principles of its charter. This is exemplified by last summer's Security Council resolution condemning Israel for its stand on Jerusalem. To make matters worse, the United States abstained from that vote. Since 1970 the United States has been forced to veto numerous United Nations actions, though it never used its veto power prior to that time. But, while the balance of power in the United Nations (U.N.) has shifted, the financial responsibilities placed on member nations have not—creating a situation where those who have the least responsibility for paying the bills have the most influence over the decisions made. Such a situation is an invitation to political demagoguery and further violations of the U.N. charter.

Actually the problem has been far more evident in the U.N. General Assembly than in the Security Council since all 152 member nations participate in the General Assembly on an equal basis regardless of financial contribution—except for the Soviet Union which has three votes to everyone else's one. In the last 10 years the General Assembly has; one, seated Red China while expelling Nationalist China; two, suspended South Africa from membership; three, granted observer status to the Palestinian Liberation Organization and allowed Yasir Arafat to speak while denying Israel

the right to full reply; four, countenanced expropriation of property without compensation and; fifth, passed a resolution equating Zionism with racism. Particularly unsettling is the fact that many of the nations supplying the margin of victory in these instances are not only new Third World nations, but among the smallest financial supporters of the U.N. United Nations membership has become an excellent economic and political investment for the Third World, one from which these small nations and the Communist bloc have gained considerable advantage at minimal expense.

In view of the current situation, a number of suggestions have been made to reevaluate our Nation's relationship with the U.N. Logically, some of these have dealt with our financial contribution level to the United Nations. While it is quite evident that continuing adherence to the national income formula will simply accelerate the growing polarization between the primary financial supporters and the principal power brokers, the alternatives, such as equalizing assessments, need careful examination. For one thing, such a system would discriminate against those nations not having permanent seats on the Security Council. In addition, reducing our annual contribution to a level no greater than that which would be in effect if all nations contributed equally, is not likely to result in the U.N. adopting a more reasonable assessment standard. The more probable development would be further deterioration of the U.N.'s financial situation due to smaller payments by each nation, or nations, withdrawing from the U.N. because they are unable to afford a higher level of assessment.

Given that premise, I think that it is imperative that the United States adopt a new contribution formula that would be fair to the United States, be as fair as possible to other member nations, be fiscally responsible insofar as the future of the U.N. is concerned, and be reflective of the representative nature of the United Nations. All things considered, given the fact that no plan can be completely equitable, I think these goals can be best accomplished by initially reducing our annual U.N. contribution to a percentage equal to that of our population when compared to the total population of all U.N. member nations. If implemented, this would mean that instead of paying 25 percent of all U.N. expenses each year the United States would contribute 5.1 percent and other nations, particularly the People's Republic of China and the Third World, would have to carry a fairer and hence more appropriate share of the financial burden.

The biggest flaw that I perceive in this proposal is that, should the U.N. accept the whole package, the annual contribution of the Soviet Union would, like that of the United States, be reduced. Given the fact that the Soviets have contributed less than one-fifth of what we have contributed to the U.N. over the years, and keeping in mind that they are currently well behind in their financial obligations—without having suffered any significant penalty—the Soviets deserve to pay more rather than less. However, this drawback is negligible when compared to the other considerations that would result from enactment of this proposal. The People's Republic of China, which occupies a permanent Security Council seat, would have its percentage share raised from an unreasonably low 1.62 percent of the regular budget to a more realistic 22.6 percent. In addition, India's assessment—which is presently 0.6 percent of the regular budget each year—would be increased to 15.6 percent. Most important, however, is the tremendous expenses the United States would be spared. If, instead of paying 25 percent of the entire U.N. budget, or \$922,950,000 in 1980, the United States were to pay an amount comparable to its share of the population, the cost to our country would be reduced by 80 percent to assess \$188,281,800. The result of this proposal would be financial obligations consistent with the amount of power within the United Nations each country commands. I would also recommend that, at the same time the United States asks the U.N. to follow its example and use the proportional population formula for assessments, the U.N. collect what it is owed from those nations who are delinquent in their payments. Present U.N. financial difficulties would certainly be eased if members, in particular the Soviet Union, would pay what they owe. There is no reason, particularly in light of the actions taken against Nationalist China, South Africa, and Israel in recent years, to allow such abuse to go uncorrected.

If the United States continues to pay an unduly large share of the U.N. expenses each year while other nations fail to honor their obligations, we can expect to see a deepening of the hypocrisy that has so blatantly marked U.N. sessions in recent years. If the U.N. is ever to be an effective force for world peace, it must be more than simply a political vehicle for the side that has the most votes. It must reject the demagoguery that so often accompanies the exercise of power unchecked by any concern for fiscal responsibility. If the U.N. fails to take such action, there is little hope for its being any more than what Ambassador Scali once termed "the tyranny of the majority" with the very real possi-

bility that it will become no less than the pawn of the Internationale.

It is in lieu of this possibility that I have introduced a bill to reduce our contribution level to the aforementioned 5.1 percent. By so doing we would not only save the American taxpayer over \$700 million annually, but more importantly, we would put the U.N. on notice, without wrecking or withdrawing from it, that it cannot expect to command financial support unless it exercises more discretion and acts with a greater sense of responsibility. I firmly believe such notice would, in the long run, benefit all concerned. The bill to accomplish this goal follows:

H.R. 864

A bill to limit United States contributions to the United Nations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the aggregate amount of assessed and voluntary contributions by the United States to the United Nations and its affiliated agencies for any calendar year after 1980 shall not exceed an amount which bears the same ratio to the total budget of the United Nations and its affiliated agencies as the total population of the United States bears to the total population of all the member states of the United Nations.●

KIM DAE JUNG—SOUTH KOREA

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BONKER. Mr. Speaker, I want to congratulate South Korea's President, Chun Doo Hwan and his government for commuting the death sentence of opposition leader Kim Dae Jung, and for lifting the martial law edict issued last May. This action, which shows great foresight, will be hailed around the world.

I am pleased Korea's leadership understood that the execution of Kim would not have served any purpose. In fact, it would have created a dangerous rift in the close relationship of our two countries. The charges against Kim Dae Jung were labeled farfetched by our State Department. It is my hope that a way may be found to free Mr. Kim and that he would be allowed to leave the country.

All of my distinguished colleagues who joined in the effort to save the life of Kim Dae Jung must feel a great deal of satisfaction. But our work is not finished. There are a number of other political prisoners who languish in jail, and military rule is still in force. If Korea is to have a stable future then it must have a government which enjoys broad popular support. President Chun has moved in the

right direction; he must act now to restore Korea's democratic freedoms.●

THE MARTIN LUTHER KING DAY MARCH: SOME OBSERVATIONS

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. MOFFETT. Mr. Speaker, sometimes it is better to forget the diplomacy and be blunt. For those who took part in the January 15 march in Washington to push for the establishment of a national holiday on the birthday of Dr. Martin Luther King, the event was incredibly moving. But the media coverage and the participation level by whites in that special day were shameful and disappointing.

It might sound like an overstatement, but I do not think that the busloads of Connecticut people that were in attendance would disagree. Symbolically, this matter of the holiday is very important to the black community. That is a fact, whether or not you believe in the goal.

Various police observers estimated that as many as 200,000 people from 30 States took part in the march on that cold and snowy day.

The crowd was almost entirely black. The old ones who had marched many times before; the young ones who had never marched and who had never had to march, their Loomis-Chaffee jackets and other signs of sound and prosperous upbringing reflected the progress, for some, of the years since King's tragic death.

At the march's end, the grounds of the Washington Monument were packed. The crowd listened to speakers urge adoption of the holiday by the Congress. In the last session, the measure failed by only five votes. Blacks reacted the way Italians would to the repeal of Columbus Day. But speakers such as Jesse Jackson and Dick Gregory spoke of more than a holiday.

Jackson talked of self-respect and pride, "You are somebody" he told the young people in the crowd, most of whom did not have jackets from expensive prep schools. Gregory was even more direct: "Ronald Reagan can't do nothin' to us, compared to what we're doin' to ourselves with drugs and alcohol," he said.

Indeed, this was healthy stuff. Not calls to revolution, but to self-help and hard work; the kind of speeches that would have made Dr. King proud.

But the highlight, even including the words and music by Stevie Wonder, was the stirring speech by Martin Luther King III, the son of the slain leader. "We're not anywhere

near through yet," he told the people. "We must keep working."

All of this was treated much like some kind of highly classified national secret by the news media. The networks either excluded it entirely from their nightly programs, or showed 15 seconds of footage with practically no narrative. They estimated the crowd at not 200,000, or even 150,000, but 15,000. The New York Times seemed to pretend that the entire event never took place.

Just as troubling was the lack of participation by whites. In a way, you hate to say that you noticed the color of the marchers, but it was all so painfully obvious. What was white society saying? That the holiday is not important? Or that things are tough enough economically right now for us whites, so why should we march for your thing?

It is important that we march in honor of Columbus, or to salute Walesa, or protest treatment of Irish Catholics. But the King contribution should receive similar attention.

Especially with black children continuing to be snatched away in the night in Atlanta, with the blatant re-emergence of the KKK, it did not seem unreasonable to expect that somewhere within driving distance to Washington, would be 25,000 or so white people who would march simply to show their support for the eminently responsible, hard-working and patriotic people in the black community throughout our land.

Are there no longer college students with time on their hands for such demonstrations of support? Are there no longer liberals and sensitive business people who still believe in such things?

Yes, it is nonsense to imply that white America's attitude toward the black community can be summed up by its reaction to one event on one snowy day in January. Perhaps when the vote on the holiday itself comes in Congress, enough Americans of all colors, shapes, and sizes will have expressed their views to make its passage a reality and to put to rest any fears about our commitment to equality.●

THE 63D ANNIVERSARY OF DECLARATION OF UKRAINIAN INDEPENDENCE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● **MR. BROOMFIELD.** Mr. Speaker, at a time when all Americans rejoice in the newly regained freedom of 52 Americans who have been held hostage so barbarically for 444 days, we reflect upon the millions of people who remain oppressed throughout the

world. As we give a warm welcome to our courageous countrymen, we are reminded that January 22 marked the 63d anniversary of the declaration of Ukrainian independence. The words "freedom" and "self-determination" are but a vision for the long suffering Ukrainian people.

This brave Nation, which so valiantly combated Bolshevik forces for 3 years after declaring its independence on January 22, 1918, was again overcome by the overwhelming number of Communist forces.

Throughout the years of Soviet domination, the proud Ukrainian people have maintained a sense of ethnic identity and an undiminished yearning for independence. Their determination to be free has been nurtured by the steadfastness of Ukrainians outside the U.S.S.R. and by expressions of support by Members of this body.

In marking the anniversary of Ukrainian independence, we are giving support to a better, freer future of these proud people. We also help insure that the world rejects the tragic consequences of Soviet domination. And we stand for the ideals most noble in the American experience—freedom and justice for all.●

BARNES RECOGNIZES ACCOMPLISHMENTS OF DONNA HUBER, FEDERAL EMPLOYEE ADVOCATE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● **MR. BARNES.** Mr. Speaker, I would like to take note of the fact that Donna Huber is stepping down from her position as executive secretary of the Westwood Employees Committee on Problem Solving (WECOPS). For several years Ms. Huber has tirelessly volunteered her services as an advocate for the rights of Federal employees who work in the Westwood complex in Bethesda, Md., and her efforts in that capacity stand out as an excellent example of what one dedicated person can accomplish.

I have had the pleasure of working with Donna Huber on a number of issues, most notably in her successful attempt to improve working conditions at the Westwood complex. She has also been active in articulating the Westwood employees' position with respect to parking fees at Federal facilities, in organizing the Westwood recognition of the American hostages' captivity in Iran, and on a host of other matters. I know that the employees at Westwood Building will miss Ms. Huber's dedicated activism in their behalf, though I look forward to

responding to any requests which they might make to my office in the future.

For the record, I include a copy of a summary of a report prepared by the General Accounting Office last year, which I requested on behalf of the Westwood employees and Ms. Huber. I might add that the General Services Administration has been very responsive to requests from my office for attention to matters at the Westwood Building, for which I am most grateful.

Also included below is a copy of an article from the Federal Times, which chronicles some of Ms. Huber's efforts related to the Westwood Building:

[Comptroller General's Report]

GSA FOUND LAX IN ENFORCING LEASES ON WESTWOOD COMPLEX

The General Services Administration which leases the Westwood complex for Government use, the National Institutes of Health which occupies the complex, and the lessor have continually disagreed over maintenance responsibilities. The disagreements over fire safety problems call for the most urgent resolution. A recent fire inspection identified numerous violations, including faulty fire doors on eight floors of the Westwood Building and seven floors of the Annex.

General Services has now determined responsibility for repair of the fire doors and other violations and has taken or is taking action to have the violations corrected. The lessor has also been required to equip elevators with an automatic recall system. These actions, when completed, should improve the safety of the Westwood buildings.

Government leases for real property contain a general provision that if the lessor fails to provide any service, utility, maintenance, or repairs required under the lease, the Government has the right to secure the services, utilities, maintenance, or repairs and to deduct the cost from the rent. However, General Services' efforts to secure required maintenance and cleaning services for the Westwood Building and Annex have been ineffective.

Congressman Barnes described his observations of the maintenance deficiencies in the Westwood complex in a July 23, 1979, letter to the Administrator of General Services and expressed the hope that General Services could make some change in its lease enforcement, rather than attack problems on a piecemeal basis. (See p. 1.) While General Services had some problems corrected, its reply to the Congressman did not propose any change in enforcement of lease provisions.

Seven times from February 1973 to August 1979, General Services informed the lessor that it would exercise the Government's right to secure services and deduct the cost from the rent. But it has not done so. In 1975 and again in 1977, the National Institutes of Health suspended rental payments to General Services because the lessor failed to provide building services required in the leases.

General Services should more aggressively discharge its responsibility to enforce leases and ensure that public funds are not used to pay for services that have not met or do not meet contract requirements.

General Services contends that it has enforced the leases aggressively and, together with the lessor, believes that deficiencies

have been corrected within a reasonable time, but that many problems in the Westwood complex are due to overcrowding and discontented occupants. However, GAO used the General Services' record of independent building inspections as a basis for this report. That record did not attribute service and maintenance deficiencies to overcrowding or occupants' discontent.

The Administrator of General Services should direct the contracting officer for the two Westwood building leases to enforce the Government's contractual rights more effectively.

[From the Federal Times, May 5, 1980]

FAILURE OF GSA TO PUSH BUILDING UPKEEP RAPID

The General Services Administration has been reluctant to crack down on numerous and long-standing safety and health violations in two leased buildings which house 1100 employees of the National Institutes of Health, congressional investigators have concluded.

General Accounting Office investigators also found that GSA failed to get required maintenance and cleaning for the Westwood Complex in Bethesda, Md., leased at an annual cost of more than \$1.1 million.

GSA, the federal government's landlord and housekeeping agency, has had other problems with the buildings' owner, Westwood Joint Venture, which also leases several other Washington-area structures to the government. In one case, GSA took over cleaning and maintenance operations when the owner could not meet lease requirements.

The Westwood study was requested by Rep. Michael D. Barnes, D-Md., who received a series of complaints about conditions there. During a visit in mid-1979, Barnes found such dangers as exposed electrical wiring and outlets, inadequate ventilation, a hole in a walkway floor covered by a rug and "a wall so loose . . . that it is held up by pencils forced into its cracks."

Local fire inspectors last November found faulty doors on eight floors of the main building and seven floors of the annex, plus a gas leak, improper storage of flammable materials, 42 fire extinguishers in need of servicing and various other hazards.

"While some of the cited problems have been corrected, GSA's reply does not suggest what change can be made in its enforcement of the lease provisions . . . other than to establish a faster reporting system," GAO said.

The auditors, however, found that the reporting system had little to do with the problems. They recommended instead that GSA take strong action on lease compliance. GSA said its action had been aggressive and blamed "extenuating circumstances" for problems in administering the leases.

NIH, which pays GSA more than \$2 million a year for the space, twice has withheld its rent because of poor services in the buildings. Although GSA threatened to provide its own services and deduct the cost from its rent to the owner—seven times since 1973—it never followed through, GAO said.

"The government has a contractual right to secure satisfactory services and maintenance, but GSA has indicated its reluctance to exercise this right," auditors said.

"GSA should more aggressively discharge its responsibility to see that public funds are not used to pay for services that have not met or do not meet contract requirements."

Disagreements over responsibility for hazards and damage in the buildings have been part of the problem. Both GSA and the owner blamed overcrowding and the owner said Westwood tenants feel "deprived" because they are located away—about five miles—from the main NIH "reservation."

An employee representative disagreed. "We are not a group of malcontents," said Donna Huber, a grants technical assistant and executive secretary of the Westwood Employees Committee on Problem Solving.

"Our roof still leaks, and although the walls were recently painted, the grade is so poor that when you wipe off fingerprints, you wipe off the paint."

"Right now I'm sitting in a room with brown paper over the window because the owner won't put up venetian blinds. It was 85 degrees in here this morning. We're supposed to get some soon, but NIH will end up paying for them."

Huber welcomed the GAO findings but said GSA still is not making the building managers keep the restrooms clean or fix other long-standing hazards.

"We have a large room in the sub-basement—the only way to get to it is from the outside—which is filled with forms and applications and the type of information one of our institutes needs each day," she said.

Last August, one of two springs on the garage-type door broke and requests for its repair went unheeded, Huber said. About a month ago, the second spring broke.

"At this point, it takes four strong men to lift that door. Two weeks ago, three men suffered back sprains when they tried to lift it. One of them has been put on light duty now," she said.

Barnes, who called GSA's efforts to fix Westwood's fire safety problems and the GAO report a "starting point," plans to visit the complex again.

Before his last visit, a notice of his plans was posted on a building bulletin board. "People told us that there was more action during the time before the visit than in a long time before that," an aide said.●

DR. GIULIERI: EDUCATION AT ITS BEST

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. MILLER of California. Mr. Speaker, I rise today to honor Dr. Elmo Giulieri, who will be retiring on January 31, 1981, after 33 years of service to the Walnut Creek, Calif., school district. Dr. Giulieri has spent his entire educational career helping the students of Walnut Creek as a teacher, principal, director of special services, and finally, as superintendent of the Walnut Creek School District.

Dr. Giulieri has been instrumental in the formation of many fine education programs for the students of Walnut Creek, including the reading clinic under the title I program and the developmental kindergarten program for children who need special help. These programs will be a lasting tribute to the greatness of this man.

We are entering a time when all our basic assumptions about education are

being questioned. One of these is whether we can provide a strong public education system. I believe that Dr. Giulieri's dedication to excellence in education over the past 33 years provides an example of the best our education system has to offer. I hope that we will continue to have such dedicated citizens as Dr. Giulieri providing the fundamental education our children need for the world of tomorrow.●

RICHARD L. WILSON DIES

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. SMITH of Iowa. Mr. Speaker, one of the distinguished journalists of our times, well known over the years to many of us in the Congress, died at his home in Washington on January 18 of this year. Mr. Wilson was chief of the Washington bureau of the Des Moines Register when I first came to the House 22 years ago. He served in that capacity for 37 years before retiring in 1970.

Dick Wilson was respected as a solid professional in his coverage of national affairs. His career extended from the early days of the New Deal into the Presidency of Richard M. Nixon. His work as editor, war correspondent, reporter, and nationally syndicated columnist won him many coveted journalistic awards including the Pulitzer Prize, the Raymond Clapper Memorial Award, and the Sigma Delta Chi Distinguished Service Award.

Our sympathy goes out to his wife, Katherine, his two daughters and six grandchildren. Mr. Speaker, I ask unanimous consent that the obituary of Mr. Wilson, carried in the January 20 edition of the Washington Post be printed in the RECORD.

[From the Washington Post, Jan. 20, 1981]

RICHARD L. WILSON DIES; BUREAU CHIEF HERE 37 YEARS FOR DES MOINES REGISTER

Richard L. Wilson 75, chief of the Washington bureau of The Des Moines Register newspaper for 37 years before retiring in 1970, died Sunday in his home in Washington. He had cancer.

During his years in Washington, Mr. Wilson covered many of the major stories of an era that began with the New Deal and extended into the presidency of Richard M. Nixon.

He wrote about President Franklin D. Roosevelt's plan to "pack" the Supreme Court, covered the Geneva Summit of 1955, and accompanied Nixon, the then vice president, to Moscow in 1960 for his famous "kitchen debate." Mr. Wilson was on hand for the Kennedy-Khrushchev summit in Vienna in 1961 and was a member of the press corps that accompanied President Nixon to China in 1972.

Mr. Wilson won some of his profession's most prestigious awards, including a Pulitzer Prize for a 1953 series that said the FBI

had warned the White House in 1945 of the alleged Soviet connections of Harry Dexter White, a high Treasury Department official during World War II. White was accused but never convicted of having served as a Soviet spy.

His other awards included the Raymond Clapper Memorial Award and the Sigma Delta Chi Distinguished Service Award. He had been president of both the National Press Club and the Gridiron Club.

After retiring as bureau chief in 1970, Mr. Wilson wrote a syndicated editorial page column for five years. He covered the 1976 political conventions and then went into retirement a second time.

In 1975, he wrote that during his half-century of reporting "three major events happened. This country was engulfed, nay, swamped in technology. The United States became a world power. It is also a continental welfare state. That encompasses the whole of it."

Mr. Wilson was born in Galesburg, Ill., and studied chemical engineering at Iowa State University and journalism at the University of Iowa. He first went to work for The Register in Des Moines in 1926. In 1933, he came here to open the paper's Washington bureau. His original assignment was to cover New Deal programs that would be of special interest to Iowa farmers, hard-pressed as they were by the Great Depression.

In fact, he became an expert on agriculture; but he also went on to many other assignments and subjects, including the fighting in North Africa and Europe during World War II, which he covered as a war correspondent.

Survivors include his wife, Katherine M., of Washington; two daughters, Susan W. Seymour of Minneapolis, and Katherine Lesses of Cambridge, Mass., and six grandchildren.

WELCOME HOME

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. LEWIS. Mr. Speaker, the Americans taken hostage in Iran while serving their country are welcomed home with open arms and with relief. We share the joy of their families at being reunited, with gratitude for the efforts of those nations who supported America through this trying period and with concern for the sanctity of diplomatic tradition. In order to commemorate this fact, I am introducing a resolution to designate an area in Washington, D.C., as "Freedom Park."

Tuesday, January 20, 1981, is a day which will long be remembered in the hearts of all Americans: It is a day of celebration and unity, of concern, recollection, and hope. For 444 days we lived in suspense; now we can give thanks and express officially the joy felt by the parents, brothers, sisters, wives, and children of the hostages.

Yet last Tuesday was also a day to recall that the principles of diplomacy which have prevailed from the days of ancient Greece have been violated.

Such unprecedented disregard for international law and the traditional standard of respect in the diplomatic community could have a serious and destructive impact on the world's hope for peace. Let us, therefore, take this day to recommit ourselves to the diplomatic code of honor and immunity and to peace among all nations.

Thanks are especially to be given to those who have been instrumental in bringing the hostage situation to an end: Canada, for her aid above and beyond the call of duty in bringing home the Americans not captured during the Embassy takeover in Tehran; Algeria, for her untiring efforts as mediator in a delicate and decisive negotiation, and the American diplomats and negotiators who, more than any, brought about this happy day.

At the hope-filled time of a new administration and a new beginning for our country, to the former hostages, welcome home. ●

A WELL-DESERVED TRIBUTE TO ED JONES

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BOWEN. Mr. Speaker, Progressive Farmer, one of America's leading farm journals, has recently honored our colleague, Ed JONES, with its Man of the Year Award. As those of us who serve with Ed know, he has dedicated his life to a more productive, efficient U.S. agriculture and to the well-being of American farmers.

From my close association with him, I have developed deep admiration for his knowledge, good humor, and the sensitive way he deals with the most controversial issues.

Since some of you may have missed the January 1981 issue of Progressive Farmer, I would like to insert this article into the CONGRESSIONAL RECORD. I know you will want to join me in congratulating Ed.

ED JONES—MAN OF THE YEAR IN SERVICE TO SOUTHERN AGRICULTURE

It may be that milking cows is the best training a potential Congressman of the United States can get. You have to be calm and unruffled, yet firm and certain, to get the most out of a dairy herd. And above all, you have to be regular and persistent in your work. Those are the same traits you need in the Congress.

Whether or not his dairy farm experience gets the credit, Ed Jones, Representative of the Seventh District, State of Tennessee, is surely one of the more successful members of Congress today.

His successes have brought some dramatic benefits to farmers all over the South as well as to those in his West Tennessee Congressional district.

In Congress, the leaders assign individual Representatives as managers of each impor-

tant bill. If the bill is complicated and likely to meet with vigorous opposition, Congressional leaders assign it to the most successful manager.

More often than not, these tough-to-pass agricultural bills get assigned to Ed Jones. Note these complex bills that have become law under the management of Ed Jones:

The Egg Research and Promotion Act, one of the first that permits producers to vote in a checkoff and use their own money for research and promotion.

The dairy price support sections of the Agriculture and Consumer Protection Act of 1973 that set price supports between 75 and 90 percent of parity, and the subsequent amendment in 1975 that put an 80 percent parity floor under dairy products.

The Federal Crop Insurance Act of 1980 that will expand insurance protection to just about every crop and every crop farmer in the U.S. by 1985. This act could well become one of the most significant pieces of farm legislation ever passed. Jones worked for over four years in developing the legislation and then pushing for its passage. (See "New All Risk, All-Crop Insurance Replaces Disaster Programs," September 1980 issue.)

Farm Credit Act Amendments of 1980, which raise the loan limits on Federal land bank loans, authorize the Bank of Cooperatives to lend money to farmer cooperatives for the purpose of exporting farm products, extend Farm Credit Service lending to aquatic producers, and much more.

The hallmarks of many of the laws guided through Congress by Jones are that they provide benefits to farmers, yet remove control of these benefits from the Washington bureaucracy.

"That's the most important thing I think we can do," says Jones. "Nothing is more depressing than to have to return year after year and beg Congress and the bureaucracy for help for farmers."

He points out that Washington does play the numbers game and that farmers suffer when politicians start counting heads. Farmers have gotten far more help from Congress in the past than their numbers would indicate.

"I think we have to turn more and more to farm programs where farmers themselves, with initial help from the Government, take control of their own programs," says Jones.

Getting bills like these passed isn't easy because there are hundreds of pressure groups jealous of their own prerogatives in the farm field. Many Congressmen spend years in the Congress without ever getting legislation passed. It takes some hard work, fancy footwork, and the ability to compromise on the least important points as far as farm interest is concerned.

That's how Ed Jones has accomplished so much. That's why he'll continue to get things done for farmers. "We have some tough, far-reaching decisions to make on farm policy in the 1980's," observes congressman Tom Foley, chairman of the House Agriculture Committee. "Ed Jones will be playing a very important part in shaping the future of agriculture."

The editors of Progressive Farmer saw that same promise for service to agriculture when they named Ed Jones, then a farmer and Tennessee Commissioner of Agriculture, as the 1951 Tennessee Man of the Year.

Now, for his national effort, Progressive Farmer is pleased to name him man of the Year in Service to Southern Agriculture for 1980 for his special and conspicuous leader-

ship to farmers in the development and passage of the Federal Crop Insurance Act and the Farm Credit Expansion Act.●

**VICE ADM. B. R. INMAN—AN
OUTSTANDING APPOINTMENT**

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BOLAND. Mr. Speaker, Saturday Vice Adm. Bobby R. Inman was named as President Reagan's nominee to be Deputy Director of Central Intelligence.

This comes as good news to all who know Admiral Inman and to all who want to see the United States maintain and improve its foreign intelligence capabilities.

President Reagan has chosen well in selecting Bob Inman to be the deputy for the new Director of Central Intelligence, Bill Casey.

The Permanent Select Committee on Intelligence, during the 3½ years I have served as its chairman has enjoyed a very close and satisfactory relationship with Admiral Inman in his capacity as the Director of the National Security Agency.

Most Americans and, indeed, most Members of Congress do not know much about the activities of the NSA, and appropriately so, because its activities are, and need to be, a closely guarded secret.

Mr. Speaker, the members of the Permanent Select Committee on Intelligence are fully apprised of NSA's operations and I know I speak for all its members when I say that in Admiral Inman the country has been blessed with a most competent, loyal, and trustworthy officer.

He has conducted himself in the most thoroughly professional manner possible in all the difficult positions in which he has served.

His performance as Director, NSA, has been exemplary in every respect.

I know that as the No. 2 official in the entire U.S. intelligence community, he will continue his outstanding performance.

That Admiral Inman has been chosen to fill such a position of responsibility comes as no surprise to those of us who have dealt with him.

It would be hard to imagine anyone with a better intelligence background or with sounder judgment than Bob Inman.

Prior to his service as the Director of the National Security Agency, he was Vice Director of the Defense Intelligence Agency.

He has also served as the Director of Naval Intelligence and has had numerous assignments with combat commands in his distinguished naval career.

EXTENSIONS OF REMARKS

As he enters upon this new assignment of high responsibility, I extend to him my own best wishes and those of the Select Committee on Intelligence.

The Nation is well served by his appointment as Deputy Director of Central Intelligence.●

**COMMEMORATING EMANUEL
CELLER**

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

● Mr. GREEN. Mr. Speaker, I would like to commemorate the passing of one of our former colleagues, a man who served in this body for half a century, Emanuel Celler. He came to Washington in 1923, and when he left he was the dean of the House. A Democrat from New York City, he was a strong supporter of the early New Deal legislation of President Roosevelt, and devoted his career to the cause of individual rights.

As chairman of the Judiciary Committee from 1949-53, and 1955-73, he led well-publicized investigations and was coauthor of the major Celler-Kefauver Anti-Merger Act of 1950. During the 1950's he was one of Congress' strongest opponents of the special House Un-American Activities Committee.

What I best remember about Manny Celler is his commitment to the cause of civil rights. He sponsored or managed all the major civil rights acts during his long tenure on the Judiciary Committee. He was the principal architect of the 1957 Civil Rights Act, sponsored the 24th amendment to the Constitution, guided the landmark Civil Rights Act of 1964, and managed the 1965 Voting Rights Act.

Emanuel Celler served in the Congress longer than any other New Yorker, and all of us from his State, and indeed the Nation, can be proud of his long record of achievements. He served this House with the courage of his convictions, and I am pleased to join my colleagues in honoring his memory.●

GUN CONTROL PROBLEMS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. SKELTON. Mr. Speaker, William Hale of the Pleasant Hill Times wrote an excellent editorial concerning the misdirected attempt to have gun control. I commend this editorial to the Members of this body:

GUN CONTROL NOT THE ANSWER

While contemplating the sad death of musician John Lennon, Americans should realize that no "gun control" law, no amount of restrictive firearms legislation, could have prevented this tragic act.

Gun laws simply cannot stop someone who is intent upon committing murder. The suspect charged with Lennon's murder purchased the murder weapon in Hawaii, a state which requires that all firearms and ammunition be registered with local and state authorities. The crime took place in New York City which has perhaps the most stringent gun laws in the country. New York not only requires registration and permits for handguns, but also requires the licensing of firearms owners. These restrictive gun laws did not stop Lennon's murder. Additional gun laws would not have stopped it, either.

The act, for whatever reason it was committed, was premeditated. Once he is bent upon such a crime, a person cannot be thwarted by an existing gun law, nor by the passage of any additional legislation. Murder is already against the law.

There will be those who call for more "gun control" laws. Such laws, however, only restrict the law-abiding citizen's use of firearms and will not affect the criminal or reduce crime. Such laws merely open the door for civil rights violations which have occurred many times under the Federal Gun Control Act of 1968. These violations have already resulted in 63 United States Senators calling for reform of that gun law.

To stop crime, laws must be directed at the violent criminal.●

NUTRITIONAL COUNSELING

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. LEHMAN. Mr. Speaker, today I am introducing legislation to amend the Social Security Act to include nutritional counseling as a home health service when such counseling is provided under the supervision of a registered dietitian.

Our concern for the health of our citizens should be expanded to include all facets of total health care. Unfortunately, a long-overlooked element has been nutritional dietary care. I believe a commitment should be made to promote optimal nutritional health care complete with dietary counseling. Nutrition is an integral part of health; we cannot ignore this important factor.

Home health services provide essential medical aid to people unable to leave their homes for necessary medical attention. My bill would broaden the present list of eligible services to include nutritional counseling. Medicare provides coverage for home health services and allows reimbursement for all reasonable costs related to patient care. Therefore, Medicare coverage enables many people to uti-

lize home health care services which previously were inaccessible.

As the Government becomes more deeply involved in programs to meet the health care needs of the population, it has a responsibility to provide dietary counseling for both individuals and groups. Dietary counseling would be available to those who need it the most, individuals confined to their homes and normally unable to take advantage of such services. Increased costs for both inpatient and ambulatory health care make it mandatory that attention be turned to programs that will prepare citizens to assume more responsibility for their nutritional well-being.

Good nutrition is the foundation on which positive health is built. To neglect this opportunity to insure better health for the population is not being totally responsive to a major need in this country. Health care legislation for the 1980's must provide access to home nutritional care. Let us begin by the passage of this bill.●

HEMET HONORS IRWIN FARRAR

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. LEWIS. Mr. Speaker, on February 12, the Chamber of Commerce of Hemet, Calif., will meet to honor Irwin Farrar, a man who has been an active and invaluable community leader since first joining the community back in 1917. I am fully aware of the major contributions Mr. Farrar has made to the area over the past 60 years and want to join his family and friends in paying him tribute.

In his early years, Mr. Farrar practiced law and became a successful businessman. He served as the first president of the Hemet Chamber and later headed that organization for the entire county of Riverside. Additionally, he was a founding member of the Hemet Kiwanis Club and was twice lieutenant governor of the California-Nevada-Hawaii District of Kiwanis International. He has also served as a member of the local school board and held posts in many other civic organizations.

But it is for his contributions in the area of water management, conservation, and control that he will be most remembered. Since 1951, he has served as the Eastern Municipal Water District representative on the board of directors of the Metropolitan Water District. He currently serves on the water problems, executive, and legal and claims committees of that board. In this capacity, he has been intimately involved in both acquiring necessary water supplies for southern California and for overseeing the distribution

and use of this precious resource. His latest project is the Peripheral Canal issue scheduled for inclusion on the State ballot next June. Additionally, in the past, he has served as president of the San Jacinto River Conservation District, as chairman of the Riverside County Flood Control and Conservation District organizing committee and, subsequently, as one of the district's first commissioners. Finally, he also joined the ranks of academe when he served for 5 years as a member of the Advisory Council of the Water Resources Center of the University of California.

Mr. Speaker, I join the residents of the Hemet area in expressing my profound gratitude and deep admiration to Mr. Farrar.●

THE DECLARATION OF FREEDOM

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. PEPPER. Mr. Speaker, the beginning of the 97th Congress marks the 21st anniversary of the year when Castro, with the aid of Soviet arms and personnel, established his illegitimate claim to the governorship of the island of Cuba, the jewel of the Caribbean. Since then, the Soviet Union has consistently exploited Castro's dependence on their aid and guidance.

The events of the Cuban missile crisis, when the Russians attempted to place nuclear missiles at our doorstep, and finally were forced to remove them by President Kennedy, are familiar to us.

The reports and sightings of Soviet armaments, installations, subsidies, and advisers have been too numerous to mention.

At this very moment, Castro maintains about 40,000 of his troops on the African Continent. I am reintroducing today a joint resolution expressing our determination to vigorously oppose Soviet penetration of Cuba, using Cuba to extend its military influence into Africa and the Americas, contrary to the Monroe Doctrine. I hope I will be joined by other Members of the House in making this effort for freedom in the Caribbean.

The text of the resolution follows:

H.J. RES. 136

Joint resolution expressing the determination of the United States with respect to the situation in Cuba

Whereas the Soviet Union has deployed military personnel to Cuba for the purpose of piloting and maintaining Cuban Mig-22 fighter aircraft, to operate Cuban radar installations, and for other military purposes; and

Whereas this Soviet deployment of military personnel into this hemisphere has occurred in conjunction with the depletion of

Cuban military forces through the intervention of tens of thousands of Cuban troops in Africa in support of various Communist-supported military actions on that continent; and

Whereas such deployment of Soviet military personnel to Cuba, and Soviet and Cuban military personnel, arms, and support to Communist forces in Africa, is in the interests only of Communists expansionism and not in the interests of world peace; and

Whereas such Soviet military presence and buildup in Cuba is in violation of the Monroe Doctrine of 1823, which termed any attempt on the part of European powers "to extend their system to any portion of this hemisphere as dangerous to our peace and safety," and of the Kennedy-Khrushchev agreements of 1962, which assured no deployment of Soviet forces of offensive arms in Cuba; and

Whereas in the Rio de Janeiro Treaty of 1947 the parties agreed that "an armed attack by any State against all the American States shall be considered as an attack against all the American States, and, consequently, each one of the said contracting parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by article 51 of the charter of the United Nations"; and

Whereas the Punte del Este Resolution II of the Organization of American States of January 1962 agreed "to urge the Member States to take those steps that they may consider appropriate for their individual and collective self-defense, and to cooperate, as may be necessary or desirable, to strengthen their capacity to counteract threats or acts of aggression, subversion, or other dangers to peace and security resulting from the continued intervention in this hemisphere of Sino-Soviet powers, in accordance with the obligations established in treaties and agreements such as the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States is determined—

(a) to prevent the Communist regimes of the Soviet Union and Cuba, acting individually or collectively, from extending by force or threat of force their aggressive or subversive activities to any part of this hemisphere;

(b) to prevent in Cuba the creation or use of an externally supported military capability, or the deployment in Cuba of military forces from another nation, for the purpose of establishing a stronger base for Communist expansionism in this hemisphere, thus endangering the security of the United States and other non-Communist nations; and

(c) to work with the Organization of American States and with freedom-loving people of all nations to implement collective security agreements and to support the aspirations of all people in this hemisphere for freedom and self-determination; and be it further

Resolved, That the President of the United States take every possible action to carry out the intent of this resolution.●

AN INEQUITABLE TAX ON CIVIL SERVANTS WORKING IN FORT CAMPBELL, KY.

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BEARD. Mr. Speaker, today I am introducing a bill designed to remove an inequitable tax burden facing civil servants who reside in the sixth District of Tennessee, but work in Fort Campbell, Ky. These persons pay Kentucky State income tax, even though they are not the recipients of any services from that State.

In most situations where individuals are domiciled in one State, work in another, and pay taxes in both, one of the taxes is taken as a credit against the other. However, several States have no income tax, making this type of offset impossible.

I feel that my bill offers a practical solution for this inequity by simply prohibiting States from levying an income tax or withholding tax on any Federal Government employee who is not a resident or domiciliary of such State.●

ONEONTA'S FAVORITE SON

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. WORTLEY. Mr. Speaker, it gives me great pleasure to note the achievements of a certain gentleman from Oneonta, N.Y., a city which I represent. This gentleman is Mark May, a football player with the University of Pittsburgh Panthers.

Mark is distinguished from all other American athletes, as he has been awarded the Outland Trophy, the honor given to college football's outstanding interior lineman. The honor is well deserved. Mark has also been named All-American first team by the Associated Press, Football Writers of America, Kodak American Football Coaches Association, Sporting News, United Press International, and the Walter Camp Foundation.

Mark has dominated the line of scrimmage for the Panthers over the past 3½ years. During that time, Pittsburgh compiled a 38-8-1 record, appeared in four bowl games, and ranked among the top 10 football teams in the Nation.

Mark is not just an athlete, though. He is a gentleman. His concern for his neighbors, friends, and fellow students speaks well of him and has earned him their respect and admiration. I join

EXTENSIONS OF REMARKS

them in paying tribute to Mark May and wishing him future success.●

LESS REGULATIONS BY GOVERNMENT

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. KRAMER. Mr. Speaker, there can be no question that the American public has expressed a strong desire to reduce the overbearing presence of government in our personal and business lives by demanding lower Government spending and less Government regulation. The problems of overregulation are evident throughout the economy and the horror stories of conflicting, duplicative, overlapping, contradictory regulations are legion.

Over the past several years, the Congress has variously tried to assume a greater measure of control over the regulations issued by Government agencies through sundry legislative review and approval mechanisms. However, as the number of laws and agencies has expanded over the years, the regulatory volume has grown geometrically, and the efforts at congressional control have been haphazard at best. In recent years, the Congress has come very close to enacting Government-wide legislative veto authority, which would certainly be a major step forward in the effort to assure proper oversight of Government regulation, and hopefully, the 97th Congress will finally enact such authority. Inasmuch as the agencies which are responsible for issuing regulations are created by Congress, and are not directly accountable to the public, it is essential that the Congress, which is accountable to the public, exercise the necessary oversight and control over the bureaucracy to which it has delegated implementation of the laws. In the absence of such congressional control, too often the unelected bureaucrats have assumed responsibilities beyond mere implementation and have effectively used the regulations writing process to become legislators or policymakers.

Because I believe the congressional responsibility to hold the regulators accountable is so important, I am today reintroducing legislation which I sponsored in the last Congress to provide for a systematic and comprehensive review of regulations. Not only is the end result of the legislative disapproval mechanism important, but the process by which that disapproval mechanism can be effectively employed is equally important, and I do not believe that process has received adequate attention. My bill follows the basic format for congressional disap-

proval and reconsideration of agency regulations that is contained in the legislation introduced by Mr. LEVITAS in the last Congress, H.R. 1776, which I was pleased to cosponsor. But my bill goes a step further by setting out a uniform procedure for the Congress to follow in reviewing agency regulations and in considering disapproval or reconsideration resolutions.

Specifically, the bill would require each standing committee to designate one subcommittee as having responsibility for reviewing all agency regulations which come within the legislative and oversight jurisdiction of that committee. New regulations would be transmitted to the responsible committee, and then referred to the designated subcommittee, and would not become effective if both Houses pass a resolution of disapproval within 90 days, or if either House passes such a resolution within 60 days which is not disapproved by the other body within the next 30 days.

Resolutions of disapproval and resolutions for reconsideration would also be referred to the designated subcommittee, and the bill provides a timetable for congressional action on such resolutions once reported by the subcommittee. If the full committee does not disapprove the subcommittee's report, or fails to act within the allotted period of time, the committee is automatically discharged from further consideration of the resolution, and the resolution is then placed on a special calendar for floor consideration. A resolution on regulations calendar is established to assure prompt consideration of resolutions of disapproval and resolutions for reconsideration without unnecessarily disrupting the regular legislative schedule. A separate calendar for regulations would highlight the importance of this critical congressional oversight function and would guard against such resolutions being buried in committee or lost in the floor shuffle.

While not always glamorous or newsworthy, the oversight responsibility of Government regulations rests with the Congress, and it is extremely important that the Congress reassert its legislative prerogatives which have been increasingly assumed by the executive and regulatory agencies. The legislative veto authority is a necessary and proper means to assure the proper implementation of laws which the Congress enacts. The bill I am introducing today sets out a systematic process to assure the effective and thorough exercise of that authority. I hope that this approach will generate broad interest and I welcome my colleagues' cosponsorship.●

TRIBUTE TO HON. EMANUEL E. CELLER

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

● Mr. DE LA GARZA. Mr. Speaker, I was greatly saddened to learn of the death of Emanuel Celler who died last Thursday at the age of 92. Mr. Celler led a long and distinguished career in the House. At the time of his retirement, he had served in the House for 50 years, and was chairman of the Judiciary Committee, in addition to being dean of the House.

"Manny" Celler left his mark on a number of pieces of historic legislation, especially in civil rights, the effect of which we are still acknowledging today. It was an honor to have known and worked with Emanuel Celler, his dedication to public service has left our Nation a legacy.●

NATIONAL POW-MIA
RECOGNITION DAY

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. HOLLENBECK. Mr. Speaker, as we all know our Nation has endured the hardships of four major conflicts to preserve America's freedom and ideals both domestically and abroad. I refer, of course, to Vietnam, Korea, and both World Wars. During the course of these hostilities, the United States demanded and received great sacrifices from its citizens.

I think it only appropriate that we pause and take time to reflect on the brave deeds of those who made these sacrifices—those who have generously given of themselves to keep America free. Through the heroic efforts of the men and women who served in our Nation's major conflicts, we continue to enjoy all the benefits of freedom.

When I take time to ponder the realities of these many sacrifices, I am struck by the overwhelming pressures and often complete terror that confronted our prisoners of war. I firmly believe that all former POW's deserve our highest accolades for the many perils which they encountered during their weeks and often years of captivity.

Today, on the eighth anniversary of the Paris peace accords signifying an end to the Vietnam conflict, I have introduced a resolution which would designate July 18 as National POW-MIA Recognition Day—a day honoring all of the 142,000 POW's from our last four major conflicts. I believe this kind of tribute to our POW's has been long overdue and that a National

POW-MIA Recognition Day would provide an appropriate forum to demonstrate our concern for their past sacrifices and their future realities. It would say to these brave men that we remember the frustration of not being able to reach out and help, we remember the nagging suspicions caused by not knowing, and we remember the joy and pride we experienced upon their return.

Needless to say, I sincerely hope that a majority of my colleagues in this distinguished Chamber will join me in the effort to designate July 18 as National POW-MIA Recognition Day. A copy of the joint resolution follows:

H.J. RES. 134

Joint resolution designating July 18, 1981, as "National POW-MIA Recognition Day"

Whereas the United States has fought in many wars;

Whereas thousands of Americans who served in such wars were captured by the enemy or are missing in action;

Whereas many American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war and many such prisoners of war died from such treatment;

Whereas it is uncertain whether those Americans missing in action are alive or dead and such uncertainty has caused their families to suffer acute hardship; and

Whereas the sacrifices of American prisoners of war and Americans missing in action and their families is deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 18, 1981, is designated as "National POW-MIA Recognition Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.●

COMPENSATION FOR FILIPINO
VETERANS

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. AKAKA. Mr. Speaker, I have recently introduced the second of two bills which provide for the relief of certain natives of the Philippines who served in the U.S. Armed Forces during World War II.

Under this second bill, citizens of the Philippines who want to immigrate to the United States will be granted an automatic visa, provided that they served in any U.S. Armed Forces during World War II and received an honorable discharge. It is only fair that we offer an opportunity of American citizenship to those citizens of the Philippines who served us so honorably and faithfully at great personal risk during World War II.

This bill will also complement legislation I have already introduced to compensate men of the Philippine Scouts and the Navy Insular Force by awarding them the balance of moneys promised them by Gen. Douglas MacArthur but never paid out. Although the Philippine Scouts were promised the same rate of pay as the rate received by Americans of corresponding rank and grade, the Filipinos were paid at a rate only one-half that of their American counterparts. The first bill will compensate men in the Philippine Scouts and the Insular Force of the U.S. Navy by awarding them the balance of pay that is long overdue.

These brave men fought and died alongside American soldiers in defense of the Pacific during the war. The history of such famous battles as Bataan, Corregidor, Leyte Gulf, and Mindanao might have been written differently if not for the efforts of the Philippine enlistees. The logistic and intelligence support that these soldiers provided during these engagements was invaluable. Unfortunately, when it came to compensation for their service, our Government was less than generous.

General MacArthur recruited Filipinos into the Pacific forces because he recognized the importance of supplementing his troops with skilled men familiar with the local terrain. In doing so, he promised that they would receive equal pay and allowances based upon U.S. pay scales. Despite this pledge, servicemen in the Philippine Scouts and the Philippine Navy Insular Force have not received their due. This is a situation which should be corrected by Congress.●

A TRIBUTE TO EMANUEL CELLER:
LEGENDARY LEGISLATOR AND
CIVIL RIGHTS ADVOCATE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

● Mr. BIAGGI. Mr. Speaker, few among us come to this House to shape and change the course of history. Many of us become a part of it—in a small way—and are fortunate to be party to landmark pieces of legislation that better the lives of our citizens. The names of those who distinguished themselves during their careers here through legendary legislation as well as length of office are well-remembered by us. One such man, Emanuel Celler, former Congressman from my own State of New York, passed away on January 15 at the age of 92. His indelible imprint upon this body remains today, long after he finished an illustrious 50-year career in 1972.

The year was 1922 and our President was Warren G. Harding when

"Manny" Celler first came to Congress from Brooklyn's 10th Congressional District. His election was a surprise to many, since the district had never before sent a Democrat to Congress. Over the years, reapportionment shifted the boundaries, but never shifted the votes, as his biennial victories became certainties.

From the earliest days in his career, Manny supported the major New Deal and Fair Deal programs of F. D. R. Such a foundation prepared him for the most important role of his legislative career which he assumed, in 1949, chairmanship of the House Committee on the Judiciary. He held this post until his departure from the House in 1972, except for the few years the Republicans were in control.

As chairman, he authored our civil rights legislation in the years of our Nation's major advances in this area. In 1957, Manny wrote and steered into law the first comprehensive rights legislation enacted by Congress in 82 years.

A maverick, as well as a foresighted legislator, Chairman Celler continued his leadership in this area by authoring the 1960 Civil Rights Act. The crowning glory in his career of civil rights advocacy was the February 1964 passage of the Johnson administration's omnibus civil rights bill, incorporating all the elements of President John F. Kennedy's draft he submitted to Congress in 1963 before his untimely death.

Never at a loss for words, his pep-ery, but always colorful style sustained him through his special assignment from the House leadership to discipline the flamboyant Adam Clayton Powell. Noting his willingness to be a good soldier, Manny winced when someone wished him well in his task. His reply: "I'm entitled to commiserations, not congratulations."

In addition to his work in the civil rights field, Emanuel Celler's Judiciary Committee also investigated a number of areas and industries, including insurance companies, organized baseball, the steel industry, and the television industry. His fairness and his depth of knowledge about the legislative process was well respected among his colleagues and contributed to his success as Judiciary Committee chairman.

When I was elected to Congress in 1969, Emanuel Celler was dean of the House and a legend in both Washington and New York politics. As a freshman, I recall the influence he held in this House and the respect he commanded from the most senior to the most junior among us. The many facets of Emanuel Celler's character were perhaps best personified by his definition of success that I would like to share with my colleagues:

To be a successful Congressman, one must have the friendliness of a child, the enthusi-

asm of a teen-ager, the assurance of a college boy, the diplomacy of a wayward husband, the curiosity of a cat, and the good humor of an idiot.●

EMANUEL CELLER

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. LONG of Maryland. Mr. Speaker, I offer these words of honor and respect to the memory of my former colleague, Emanuel Celler, who passed away January 15, 1981, at the age of 92.

"Manny" was elected to the House in 1922 at the age of 34. In 1949 he became chairman of the Judiciary Committee, a post he held until his retirement in 1972, with the exception of 1953 and 1954 when the House was controlled by Republicans. He became dean of the House only a few years after I was first elected to Congress.

His vigor and resourcefulness were astonishing. His management of the major civil rights measures in the 1950's and 1960's played a larger role in the advancement of civil rights than that of anyone in the history of Congress.

Our Nation is fortunate to have had Emanuel Celler's 50 years of service. I feel honored to have known him. I doubt if there will ever be another like him.●

TRIBUTE TO EMANUEL CELLER

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1981

● Mr. CORRADA. Mr. Speaker, today I would like to join my colleagues in paying tribute to our former colleague Emanuel Celler.

Mr. Celler served in the House of Representatives for over 50 years, many of these as chairman of the Judiciary Committee.

Although I never had the privilege of serving with Mr. Celler, I have heard many stories, both from my colleagues and some of my constituents in New York, and they always referred to Manny Celler as a compassionate and highly intelligent man. I am sure that his passing is a loss to all of us and to America.●

A PRAYER FOR THE HOSTAGES

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BENJAMIN. Mr. Speaker, today, the 52 former hostages are

being officially welcomed back to the United States as heroes. I join my colleagues in rejoicing their safe return and saluting their patriotism and that of those previously released and the Americans who volunteered to participate in the rescue mission, particularly the eight who gave their lives for their fellow Americans.

Miss Murcie Poplar of Gary, Ind., wrote a touching prayer for the hostages calling attention to their former plight. No doubt, her prayer, along with millions of others from fellow Americans, helped secure their safe release.

Miss Poplar, a schoolteacher, was honored by the Gary City Council on December 9 through the adoption of Resolution No. 1504. I would like to share that resolution which incorporates the hostage prayer with you.

HONORING MISS MURCIE L. POPLAR, WHO WROTE THE PRAYER FOR THE HOSTAGES

Whereas, Ms. Murcie L. Poplar, a woman, on a mission for our 52 American Hostages in Iran has taken it upon herself to light up the City of Gary, Indiana and our Nation's Capital, Washington, D.C., with a candle prayer; and

Whereas, Ms. Murcie L. Poplar, who is a native of Gary, Indiana, professional artist and art teacher for the Gary Community School Corporation did write this special prayer:

Almighty God,

We fellow Americans have come to You in prayer along with the families and friends of our American hostages.

We are asking You to please protect the hostages with Your divine shield and love from harm and danger.

Help the hostages to have faith in You and know that You can and will rescue them from captivity the same as You delivered Daniel from the lion's den. DANIEL 6:16-23.

Please do not let our American hostages become discouraged or impatient. We Americans have always stood up strongly and proudly during troubled times with courage and faith in spite of our many trials and tribulations.

We have been victorious as a nation because You guided us.

We pray that as the hostages make such a historic sacrifice You will give them a deeper commitment to better understand You.

God, please give to the hostages more perseverance and courage, as You remove fear and worry from their minds.

We pray that You will give strength to President Jimmy Carter and continue to guide him in the right direction to make the decisions that would lead to the safe release of the hostages.

God, please help people of all nations understand that we must continue placing You first in our daily lives to help solve our personal and world conflicts. We can all give testimony to how our three American clergymen went to Iran to our hostages and touched their lives with Your Words of Comfort.

Please give strength to the families and friends of our American hostages as they feel the absence of their loved ones.

Almighty God, please release all the hostages safely and bring them back home to

join their families, friends, and fellow Americans who patiently wait to receive them with fellowship and love.

Whereas, on October 21, 1980, she wrote a letter to President Jimmy Carter to make him aware of how she had been inspired to manufacture patriotic candles, on behalf of our 52 American hostages; and

Whereas, she has made a strong appeal for fellow-Americans to continue to join together in prayer for our American hostages, for it is her hope that as we light the candles and read the prayer that God will hear us, and continue to touch the spirits of our American hostages with His care and love; and

Whereas, it is her hope that the candle prayers will serve as an inspiration to President Jimmy Carter and President-Elect Reagan as they both continue to work together for the safe release of our 52 American hostages: Now, therefore, be it *Resolved*, That the Common Council, Gary, Indiana, does hereby honor Ms. Murcie L. Poplar for her contribution, dedication and commitment to the safety of the 52 American Hostages, and urge all Gary citizens to join together in prayer for the safe release of our 52 American Hostages.●

OAKLAND RAIDERS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. STARK. Mr. Speaker, my hometown of Oakland has something to be proud of. For the second time in 5 years, the Oakland Raiders have brought the world championship of professional football to the bay area.

It is a tribute to the coaching of Tom Flores and the talent and desire of the Raiders themselves that a team picked by the experts to have a mediocre season dominated the game of football for the past several months. It is equally a tribute to the shrewd managerial ability of Raider owner Al Davis that Oakland has a team of great players and even greater achievements.

But the unsung heroes of this championship are the tens of thousands of fans who have stood by the Raiders and supported them with sellout crowds for the past 12 seasons. The people of my district, of Oakland and Alameda County were more than just loyal fans. As wage earners and taxpayers they provided the millions of dollars necessary to build a stadium befitting a championship team.

As these same fans celebrate the Raiders' 27-10 victory over the Philadelphia Eagles, they are simultaneously apprehensive and angry that this very same team does not want to open the next season in the Oakland-Alameda County Coliseum, but in another city with other fans who cannot appreciate the accomplishments of the Oakland Raiders the way the people of Oakland can.●

THE DECLARATION OF FREEDOM

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. PEPPER. Mr. Speaker, I am reintroducing today a bill to recognize and commend the "Declaration of Freedom" which was proclaimed on January 23, 1966, by a group of Cuban exiles in Key West, Fla. The ideals of this resolution, for freedom were the abolition of communism as well as a renewal of Cuban liberty and independence.

In 1959 liberty and growing economic prosperity of the Cuban Republic were destroyed when Fidel Castro seized power and drove hundreds of thousands from their homes in Cuba who valued their freedom higher than the possessions and lives they were forced to leave behind. Recently, hundreds of Cubans have left this unfortunate island to escape political restraints and the oppressive climate of domestic poverty and armed intervention abroad under the leadership of Soviet Russia, Castro's mentor.

I would like to ask our distinguished colleagues to join with me in expressing the indignation of this House at Castro's tyrannical part and officially commend the bravery of these few and their mighty stand for a better future. The resolution follows:

H.J. RES. 137

Joint resolution commending the Cuban "Declaration of Freedom"

Whereas on January 23, 1966, a "Declaration of Freedom" was adopted by one thousand five hundred Cubans in exile meeting in Key West, Florida; and

Whereas this declaration was written at the San Carlos Club from which the great Cuban patriot, Jose Marti in 1898, turned the course of history by proclaiming the ideological basis of a free Cuba; and

Whereas Cuba once again has fallen victim to a totalitarian regime as embodied by Castro communism; and

Whereas the "Declaration of Freedom" reads as follows:

"In the city of Key West, Monroe County, State of Florida, United States of America, we, the Cuban exiles in the United States, in the name of God Almighty, and speaking both for ourselves and the oppressed people in Cuba, the martyr island, do say:

"That on January 1, 1959, the slavery yoke that came from Europe and was extinguished in Cuba at the end of the nineteenth century, was resumed.

"That those responsible for this high treason to our fatherland and to our people are just a score of traitors who, usurping the government of the country have been acting as mercenary agents for the Sino-Soviet imperialism, and have surrendered to that imperialism our freedom and our dignity, also betraying the American hemisphere.

"That as a consequence of this high treason, those who are usurping the power in Cuba (as they were never elected by the people), are imposing a regime of bloodshed, terror and hate without any respect or con-

sideration to the dignity of the human being of the most elementary human rights.

"That in their hunger for power, these traitors, following the pattern of totalitarian regimes are trying, within Cuba, to separate the family, which is the cornerstone of actual society, and at the same time, are poisoning the minds of the Cuban children and youth, in their hope of extending the length of time for this abominable system.

"That the rule of the law has been wiped out in Cuba, and it has been replaced by the evil will of this score of traitors, who are acting under orders from their masters, the Sino-Soviet imperialists.

"In view of the foregoing, we declare:

"First. That the actual Cuban regime is guilty of high treason to our fatherland and to the ideals of the freedom revolution which was started on October 10, 1868.

"Second. That this score of traitors who have committed treason against our fatherhood, in case they survive the downfall of their regime, will have to respond, even with their lives before the ordinary courts of justice of Cuba.

"Third. That as the noble Cuban people will not ever surrender, because that nation was not born to be slave, we, the Cuban people, hereby make the present declaration of freedom.

"We hereby swear before God Almighty to fight constantly, until death comes to us, to free Cuba from communism.

"The fundamentals of this resolution for freedom are:

"First. God Almighty, above all things, in whom we believe as the essence of life.

"Second. The fatherland, with all of its laws, traditions, customs, and history as a spiritual value, only surpassed by the concept of God.

"Third. The family, as the cornerstone of the human society.

"Fourth. Human rights, for each and every citizen, regardless of race or creed.

"Fifth. The law, as the foundation for the proper development of the human society.

"Sixth. Democratic government, with its three independent branches: Legislative, executive, and judicial.

"Seventh. Representative democracy, through the exercise of universal suffrage, periodically, free, and secretive, as the expression of popular sovereignty.

"Eighth. Freedom of worship, freedom of teaching, freedom of the press and free enterprise.

"Ninth. Private property and ownership, as the basic expression of liberty.

"Tenth. The improvement of living conditions for both rural and city working masses, with the just and necessary measures, keeping in mind the legitimate interests of both labor and capital.

"Eleventh. The derogation and eradication of anything which is opposed to the political and religious fundamentals aforementioned, and specifically, the abolition of communism and any other form of totalitarian manifestation.

"Signed and sealed in Key West, Fla., on the 23d day of January, 1966."

Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the House of Representatives that this inspiring declaration should be patriotically considered by all Cubans in exile and by all who wish to end the tyranny of Castroism and communism and Cuba and that the "Declaration of Freedom" should serve to unite those pledged to restoring Cuban lib-

erty and independence, and that it should be the objective of the United States to commend and encourage recognition and respect for the declaration.●

HELPING ONE'S NEIGHBOR

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. IRELAND. Mr. Speaker, in these times of economic, social, and political stress it is nice to hear of an example of that good old American quality of helping one's neighbor. Recently, the elderly mother of one of my staff members, Mrs. Elinor Pilney of Boca Raton, Fla., lost her wallet. Mr. Burt Chamberlain, a policeman with the Boca Raton Police Department, who was off duty at the time, found the wallet and promptly returned it to her. I would like to commend Officer Chamberlain for his selfless sense of responsibility to the citizens of Boca Raton even while in an off-duty capacity.

Thank you.●

BERNIE BRALOVE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. LEHMAN. Mr. Speaker, in the days when Congress was in session for only part of the year, many Senators and Congressmen made the Shoreham Hotel their home in Washington.

Bernie Bralove, the owner and operator, was Mr. Shoreham, and the No. 1 Washington host.

Over the last 30 years, Bernie comforted, counseled, and kept in good cheer hundreds who have served in our Government. He made true Washingtonians of the elected officials coming from all over the country—adding a special dimension to their lives.

Bernie was also my own dear, good friend. He was someone who was always there not only when the times were good, but also when they were not. I will miss him.

The eulogy by Morton H. Wilner, a Washington attorney and lifelong friend of Bernie's, well describes who Bernie Bralove was and how his life touched so many. I wanted to memorialize those remarks by having them placed in the CONGRESSIONAL RECORD:

I stand here at Bernie's request. During a very recent visit with Bernie he said "I have not been a religious person and it would be inappropriate for a Rabbi who knew nothing—or little—about me to give a so-called eulogy. But I recognize that for the family form should be followed. I can't remember

when you and I have not known each other. Will you say a few words at my upcoming funeral?" My answer—"Bernie, I only hope I don't break up."

Although there was little formal training, Bernie was, indeed, a religious man. He lived by the Golden Rule. His integrity was unquestionable. If you were his friend and needed help you could count on him volunteering. That was his code. And if ever a man walked humbly before his God, it was Bernie. He knew Presidents, Vice Presidents, Senators, Cabinet Officers, Judges and Congressmen, but he treated all good men alike, regardless of origin or position.

And Bernie was an achiever, too. As a youngster and later as an adult. He went to camp with Paul and me when he was about twelve. He won all the prizes. His infectious dimpled smile charmed everyone. Bernie's picture swing in baseball, his fluid tennis stroke, and his will to win made him a top college athlete at Rollins. There was talk of him playing big-league baseball when he entered law school. After his law, at Harvard, I recall him coming to Philadelphia with Edie in about 1938, as a litigating lawyer for the National Labor Relations Board. I watched him use his agile mind in the courtroom then, and since I have often pondered the heights he could have achieved in the legal profession had his family obligations permitted.

Bernie had a superior mind, was articulate and well read in the classics and contemporary literature. I recall when just the two of us, many years ago, drove together to Western Massachusetts for a camp reunion. He kept relishing the view of the green Berkshires and this sensitivity was consistent with his modest, but selective collection of certain pieces of fine art. A many-sided man, Bernie served as a Trustee of Rollins College, launched several B'nai B'rith Anti-Defamation League Fund campaigns from his home, and he did wartime service. His sense of humor was delightful—often lusty, but always to the point. He was just good company.

I was privileged to witness the warm, loving care and comfort Alice afforded Bernie. And in his last year—without even the help of a professional nurse. The empathy between them from the beginning is a beautiful story in itself.

His brothers, Alan and Richard, know that they have lost their best friend. Edie, I hope, will take a measure of solace from remembering the good years, as Bernie told me he did, with affection.

Steve, Mary, John and Cathy will memorialize Bernie in their own ways, and own style. The more experience they garner in life, the deeper will be their respect for his memory. Bernie will grow taller to them and their children each year.

To see and feel that courage and uncompromising attitude in the last year of his life—when he knew he was dying—was an exemplary lesson in manhood. Our generation, which is now passing into time, indelibly marked Bernard Bralove as an authoritative man of courage. But one of grace and accomplishment as well.

A rare man has been taken from us, and we must think of Bernie not as someone we have lost, but thank God a full man we have been fortunate to have had.●

ELOQUENT SUPPORT EXPRESSED FOR NATIONAL HOLIDAY HONORING REV. MARTIN LUTHER KING, JR.

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. KILDEE. Mr. Speaker, an eloquent statement in support of a national holiday in honor of the Reverend Martin Luther King, Jr., recently was published in the Flint (Mich.) Journal. The article, by reporter Rhonda S. Sanders, relates with poignancy and sensitivity the feelings that many black Americans as well as many others share about Dr. King. Ms. Sanders begins by telling how Dr. King's great contributions toward world peace, equality, and human rights made her feel especially close to Dr. King. She continues in her article to provide insights into the depth of that feeling, writing:

Whether to make King's birthday today a national holiday has been in contention since his assassination in 1968. In that year and every one since, Rep. John Conyers (D-Mich.) has introduced a "King's Birthday Bill" in Congress.

The drive is gaining ground, emotionally and politically. Last year, the bill failed by just four votes.

Appreciating how special King was comes easiest to those who have been poor and without hope, downtrodden and living under the thumb of racism.

To me, Martin Luther King was like a favorite uncle whose deeds were the stuff of my childhood bedtime stories.

My familial roots are in Montgomery, Ala., where King led the famous bus boycott in 1955 to protest segregated seating. It was his first battleground in a war against racism.

My father, a native of Montgomery, told me about driving his 1949 Ford through a barrage of rocks and venomous catcalls when he volunteered for carpooling during the 352-day boycott.

My mother remembers riding on the same bus route as Rosa Parks, whose refusal to give up her seat sparked the bus boycott. And she remembers being threatened with expulsion from Montgomery's Alabama State College if she supported the protest.

My 85-year-old grandmother still rides at the back of Montgomery buses, though she knows she does not have to, because old habits die hard.

Cousins of mine have shared memories of playing with the King children before the bombing of the King home shattered their relaxed association.

In keeping with King's doctrine of peace and non-violence, these injustices have been forgiven, though not forgotten.

Though I grew up in Detroit, my Montgomery connections have always held King close to me.

By chance, I was in Atlanta, Ga., when his body was flown there for burial.

Like a bad dream, I remember the weeping crowds, swarms of television cameras and armed policemen. They were grave tes-

timony to the impact of King's death on the civil rights movement.

My reverence of King grew out of that experience and from contact with people whose lives were touched by him.

Conyers will re-introduce the birthday bill this year. He will have reinforcements.

Blind singer Stevie Wonder is leading a march to Washington, D.C. today to urge Congressional approval of the King birthday bill.

A performer whose mass appeal spans ethnic gaps, Wonder is using his musical medium to recruit marchers. Those who join him at the Capitol today will be treated to a free concert Friday.

In a song from his latest album "Hotter Than July", dedicated to King, Wonder sings:

You know it doesn't make much sense
There ought to be a law against
Anyone who takes offense
At a day in your celebration
'Cause we all know in our minds
That there ought to be a time
That we can set aside
To show just how much we love you

The song, entitled "Happy Birthday," has sparked an emotional response among Wonder fans that is being relayed by radio stations across the country, according to Flint's WZZZ program manager Don Wiggins.

There are those who argue that a national observance of King's birthday would be one holiday too many and would cost too much in overtime pay and lost work time. I have overheard other trifling comments that a King holiday would ruin a day to do banking, receive mail and pick up welfare checks.

That is hardly a fitting tribute to a man whose humanitarian efforts benefited so many.

Out of a history of violence, blacks have chosen to honor a peaceloving hero. Though giving him a special day cannot breathe new life into the civil rights movement, it could at least reassure those who looked upon him as a saviour that his dreams are not dead.

Stevie Wonder says it best:

And we all know everything
That he stood for
Time will bring
For in peace our hearts will sing
Thanks to Martin Luther King.●

BIAGGI URGES MEMBERS TO JOIN AD HOC CONGRESSIONAL COMMITTEE FOR IRISH AFFAIRS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BIAGGI. Mr. Speaker, today for the benefit of my colleagues I am inserting a factsheet on the ad hoc congressional Committee for Irish Affairs, of which I am chairman.

We now have 117 Members, including two Senators, and I am confident that many more members will be encouraged to join by human rights advocates in their districts.

This year marks the third Congress we have been in existence and support

for our work is stronger than ever, generated from all fronts—both national and international.

I urge my colleagues who have not yet joined as members to read this fact sheet closely and assist us in our efforts to enhance the U.S. role in bringing peace and justice to Northern Ireland.

FACT SHEET: AD HOC CONGRESSIONAL COMMITTEE FOR IRISH AFFAIRS

Membership: Bi-partisan in make-up. Non-partisan in activity. Membership open to all House and Senate members. Membership total: 131 House, 2 Senate members (end of 96th Congress). Mario Biaggi (D-N.Y.), Chairman and Founder. 18 Member Executive Committee.

History: Established on September 27, 1977. Followed a specific request by the Ancient Order of Hibernians National President. Established as a non-official and non-legislative Committee.

Purposes: (1) To elevate Congressional and media attention on the multi-faceted Irish question, including: Hearings on the issue of human rights; passage of an Irish resolution in Congress calling for a British peace initiative in Northern Ireland (H. Con. Res. 122 in the 96th Congress); and maintenance of a Committee-inspired August 1979 suspension of United States arms to the Northern Ireland police.

(2) To revise existing State Department policies with respect to the issuance of Irish visas to insure that no element of political thought is excluded from this Nation.

(3) To work closely with the new Administration in the development of foreign policy relating to Northern Ireland.

MAJOR ACTIVITIES, 1977-1980

September 27, 1977: Committee formed.

February 1978: Prime Minister Lynch of Ireland directly attacks Chairman Biaggi for his role in the Committee. Results in Committee membership increase from 80 to 100 Members.

June 1978: Special order on human rights abuses in Northern Ireland conducted on the House floor.

September 27, 1978: Three new members join on the first-year anniversary bringing total Committee membership to 121.

November 1978: Chairman Biaggi, and Rep. Benjamin Gilman (R-N.Y.) travel to Northern Ireland to meet with all parties involved in the conflict. Tour the Long Kesh prison, meet with inmates and families of prisoners.

December 1978: Meeting with Assistant Secretary of State for Human Rights Pat Derian on the issue of human rights violations of prisoners and prison suspects in Ulster.

December 1978: Meeting with United Nations Ambassador Andrew Young on the issue of human rights violation in Northern Ireland.

January 1979: Chairman Biaggi travels to Northern Ireland to continue discussions with all parties to the conflict.

February 1979: Executive Committee unanimously approves a proposal to sponsor a "Peace Forum" where all parties and organizations in Ulster would be invited to present and discuss peace proposals.

March 8, 1979: Sean McBride, Nobel laureate, addresses the Irish Committee and endorses the Peace Forum.

April 1979: Committee reaches all-time membership high of 126.

April 1979: State Department licensing and sale of arms to Great Britain for use in Northern Ireland attacked by Committee.

May 19, 1979: Biaggi introduces H. Con. Res. 122, calling upon the British Government to embark upon a new initiative for Northern Ireland to promote peace and self-determination.

June 1979: Judiciary report on "Northern Ireland: A Role for the United States?" released by Rep. Hamilton Fish (R-N.Y.), a Committee member.

July 12, 1979: Biaggi amendment to 1980 State Department Appropriations bill leads to hearings on gun sale issue in Foreign Affairs Committee.

July 31, 1979: Hearings held, resulting in suspension of further U.S. arms sales pending a full review of the policy by State Dept.

August 7, 1979: President Carter and Chairman Biaggi confer on Ulster.

September 13, 1979: Peace Forum postponed because of increased violence in Ulster. Committee condemns the murder of Lord Mountbatten by terrorists.

December 4, 1979: Neil Blaney, Member of the Irish and European Parliaments addresses Irish Committee and endorses its work.

December 19, 1979: Gun sale suspension reaffirmed by President Carter in a meeting with Prime Minister Thatcher.

February 1980: Biaggi hails Prime Minister Haughey Ulster initiative.

May 1980: Gun sale suspension reaffirmed by State Department.

July 1980: Biaggi attacks new British Ulster plan as inadequate. Urges recreation of Rhodesia/Zimbabwe blueprint by U.K.

August 1980: Biaggi testifies before Democratic National Committee urging inclusion of an "Irish" plank. Committee adopts Biaggi recommendation in 1980 Democratic Party Platform.

September 1980: Biaggi contacts Supreme Court Chief Justice Burger prior to his meeting with Lord Kenneth Diplock, originator of judicial system currently in place in Ulster.

October 1980: Chairman Biaggi receives reaffirmation of Carter position on Ulster.

October 1980: Chairman Biaggi leads Committee in urging State Department and the United Nations to promote a humanitarian resolution of hunger strike staged by Long Kesh prisoners.

December 1980: Chairman Biaggi leads House colleagues in urging a United States role in ending the hunger strike.

PROJECTED ACTIVITIES 1981

(1) Introduction of a resolution to reaffirm support for a continuation of the ban on United States arms to the Royal Ulster Constabulary.

(2) To continue Committee examination into the issue of economic discrimination in Northern Ireland, including an investigation into the employment policies of American firms operating in Northern Ireland.

(3) Selected House floor activities, such as Special Orders or clustered one-minute statements on important events. The first of these can be expected during the visit of Prime Minister Thatcher in late February.

(4) Solicit speakers familiar with the Irish issue to address the Committee. Previous speakers have included:

Sean McBride, Nobel Peace Prize winner, Lenin Peace Prize winner, international scholar and diplomat;

Neil Blaney, Member, Irish Parliament, Irish Representative to the European Parliament.

Roy Mason, Secretary of State for Northern Ireland under the Callaghan Labor Government;

John Hume, Leader, Social Democratic Labor Party in Northern Ireland, UK Representative to the European Parliament; and

Michael Mullen, General Secretary, Irish Transport and General Workers Union.●

U.S. SUBS MEET PROPULSION SNAG

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 27, 1981

● Mr. BEARD. Mr. Speaker, as you have probably noted, the Navy is experiencing tremendous cost and time delay problems with its Trident submarine program. I first became interested beyond the point of passive observation early last fall when I heard about a memorandum from Adm. Hyman Rickover to then Secretary of the Navy Edward Hidalgo. Reportedly, the focus of that memo was on \$250 million cost overruns and Admiral Rickover's suspicions that the prime contractor, General Dynamics Electric Boat Co., was preparing to file claims against the Navy in conjunction with those problems.

I wrote Secretary Hidalgo November 21 asking that he please outline the problems with the Trident program, specifically with the first boat, the *Ohio*, and his proposals to deal with them. After hearing nothing but subsequently obtaining a copy of the Rickover memo on my own, I again wrote to Secretary Hidalgo. This letter, dated December 4, was also ignored.

As the time passed with no response from the Navy, so did the rumors, I had heard stories, among others, that the Secretary was privately negotiating with top General Dynamics executives without assistance from counsel or nuclear submarine experts. The intimations, when measured along with the reluctance of the Secretary to discuss the problems with me, led me to believe that an investigation was in order.

Consequently, I wrote Armed Services Committee Seapower Subcommittee Chairman CHARLES BENNETT and requested his assistance when he resumed his Trident hearings. He has since responded favorably, offering to add my area of inquiry to his investigation.

Finally, just as he was leaving office, Secretary Hidalgo responded to my two letters of inquiry. His answer, as I suspected, confirmed the rumors of his having met privately with General Dynamics executives. There were also copies of other memorandums detailing fears that Electric Boat was preparing claims against the Navy.

I hope my colleagues are as disturbed as I am with the growing problems with this Nation's most impor-

tant strategic weapons system now under development. For further background on this pressing problem, I am inserting the following excellent articles by Defense Week managing editor Richard Barnard in the RECORD:

U.S. SUBS MEET PROPULSION SNAG URGED TO REOPEN A FEDERAL SHIPYARD

In a multi-million dollar production blunder, General Electric Co. has supplied faulty turbine engines for the Trident ballistic missile submarine *Ohio* and for 16 SSN-688 Los Angeles class attack submarines, including 10 attack subs, already in the Navy's fleet. Faulty design of the GE engine in each of the 17 submarines results in fatigue of the geared turbine rotors which turn the boats' propeller shafts, several sources have told Defense Week. The rotors must be repaired or replaced, with at least some of the costs paid by the government, since the Navy splits up to \$100 million of any cost escalation in its submarine production contract with General Dynamics Corp., builder of the *Ohio* and most of the attack boats.

Replacement of a rotor in a submarine is a massive job which requires cutting a hole in the pressure hull of the sub, a source said. The job must be done under carefully controlled conditions. Repair of the hull requires "hard patch" welding which must be precisely done. After such an operation, "there are always doubts about the hull."

Rotor repairs to the *Ohio* alone will cost approximately \$3 million, according to Navy estimates. The costs of repairs to the SSN-688s have not yet been calculated, but similar expenses would bring repair costs for all 17 boats to roughly \$51 million.

"We have our lawyers looking at the possibility of recovering costs from General Electric," Vice Adm. Earl Fowler, commander of the Naval Sea Systems Command, said during secret testimony before the House Appropriations defense subcommittee in mid-May. General Electric refused to discuss the submarine propulsion systems. Alex Piranian, a General Dynamics spokesman, confirmed that the *Ohio*'s turbine rotors were replaced, but said he is uncertain about the attack subs.

The \$1.2 billion *Ohio*, the lead ship in the Navy's Trident submarine program, is being built in Groton, Conn., by General Dynamics Electric Boat Division. Its construction has been delayed repeatedly, principally because of poor quality control by Electric Boat, according to Fowler's deputy, Rear Adm. James Webber. Completion of the *Ohio* is now expected in June 1981.

Electric Boat also is building six of the Los Angeles class attack boats, which are designed to hunt down Soviet submarines. An additional eight boats will be built by a Tenneco Inc. subsidiary, the Newport News Ship Building and Dry Dock Co. of Newport News, Va.

Millions of dollars in extra costs are only part of the Navy's problems caused by the faulty GE turbines. When the defective rotors were discovered on the *Ohio* in December 1978, the SSN-688s in the fleet were ordered to avoid high speeds which might strain the rotors and, if they failed, cripple the ships. The Navy would not confirm a report that rotors for some of the SSN-688s have already been repaired.

In addition, the faulty rotors have been a factor in construction delays at the General Dynamics shipyard in Groton. The attack boat *Bremerton* was scheduled for completion in March, to be followed by the *Jacksonville* in April. However, completion dates

for these ships plus four others—*Dallas*, *La Jolla*, *Phoenix* and *Boston*, are now uncertain.

Several sources said that, at present, the Navy has few options in dealing with the continuous delays in submarine production. "Electric Boat and Newport News are the only shipyards in the nation that can build nuclear submarines," says one expert, "they've got us and they know it."

A WAY OUT

Rep. Charles Bennett (D-Fla.), chairman of the House Armed Services Subcommittee on Seapower, believes there is a way out of the dilemma. In a September 25, letter to Navy Secretary Edward Hidalgo, Bennett suggested refurbishing at least one of the eight federally owned naval shipyards which, prior to 1973, built up to five nuclear subs a year.

At a hearing before Bennett's seapower committee last week, Adm. Webber said he wanted other sources of production. The Navy is dusting off a 1977 study on equipping a public shipyard to speed production of submarines. It's due out in December and Bennett wants a copy for the subcommittee's consideration.

Electric Boat has fallen so far behind, Bennett told Hidalgo in his letter, that the higher cost of federally built ships may be worth the price. The consignment of only one attack boat to a public shipyard, however, would mean the loss of \$500 million in business to either General Dynamics or Tenneco, and would undoubtedly prompt a vicious political battle within the subcommittee. The Newport News shipyard, which employs 26,000 people, lies in the district of Rep. Paul Trible (R-Va.), a subcommittee member, while the privately owned Bath Iron Works shipyard, which employs 14,000, is in the district of Rep. David Emery (R-Me.). Two other subcommittee members, Rep. Floyd Spence (R-S.C.) and Rep. Paul Dougherty (R-Pa.) have publicly owned shipyards in their districts.

Another possible obstacle: preparing a federal shipyard for submarine production would cost several hundred million dollars.

Some production problems arise, says a congressional expert, because the Navy's shipbuilding contracts protect the builder from paying for many of his own mistakes. In 1976, for example, the lead shipyard for the attack boats discovered defects in several emergency hydraulic control valves, yet another yard installed the same type of valves several months later. The problem was easily resolved, however. The Navy paid the second yard \$5.8 million to replace the valves.

Several sources fear that the production delays—plus several add-on payment claims by General Dynamics—will prompt a series of protracted contract wrangles between the corporation and the Navy, similar to those which occurred in the early 1970s. This could further delay completion of the subs.

The deficient GE rotors are the latest in a series of problems to plague submarine construction by General Dynamics. In December 1979, for example, Navy inspectors discovered defective welds on the decks and deck stanchions of the attack boats *Bremerton*, *Jacksonville* and *Phoenix*. The welds had been inspected and approved by General Dynamics inspectors, according to an August 18 General Accounting Office report on the SSN-688 program. Further inspection revealed numerous incomplete and defective welds and missing inspection records, the

Navy told Defense Week. Similar problems were encountered in the Trident sub *Ohio*.

"The whole thing happened because four [General Dynamics] inspectors simply quit inspecting and submitted false reports," Defense Week was told. General Dynamics says the ships were carefully reinspected and all unsatisfactory welds were corrected. The cost: \$17 million. General Dynamics and the Navy assert that the strength of the subs' hulls was not affected.

Another major problem is that General Dynamics accepted and used low-carbon steel in several areas of the attack boats, including structural support foundations. The cost of replacement: \$2.7 million. While testifying before the seapower subcommittee last Tuesday, Adm. Webber said he doubts that General Dynamics has corrected its quality control problems.

The delays in production of the attack submarines are all the more vexing to the Navy because the SSN-688 boats seem to have done well in actual operations. On a recent patrol, the *Memphis*, *Los Angeles*, and *Cincinnati* each simultaneously tracked two Soviet *Victor* class subs in the high density environment of the Mediterranean, according to a message from the boat captains to the Navy's submarine warfare office. The captains praised the boats' BQQ 5 long distance sonar, built by International Business Machines. And, they said, their boats easily outran the *Victors*.

SHIPBUILDING IN 1982: PARTING SURGERY FROM CARTER

President Carter's 1982 defense budget contains about \$6 billion for the construction of 14 Navy ships, five less than will be built with fiscal year 1981 funds, government sources say.

The budget recommends construction of three surface warships: two CG-47 guided missile cruisers and one FFG-7 guided missile frigate. One Trident nuclear submarine and one SSN-688 attack submarine are also included in the Carter budget submission, along with one TAKX prepositioning ship and two SL-7 transport ships (including the conversion of one existing craft).

Other items on Carter's shipbuilding agenda: four TAGOS ocean surveillance ships, an oiler and an ARS salvage ship. Between 1982 and 1986, Carter would build about 80 Navy ships, sources say, rather than the 97 called for in his Administration's previous five-year shipbuilding program.

Critics of the Carter Administration's shipbuilding program in recent years already are preparing a counter-offensive: "You can look at those numbers as starting figures only," said a congressional aide angry at the "paltry" number of surface warships in the Carter budget. "We can boost that bottom line by \$2 billion with no problem," he told Defense Week.

Rep. David Emery (R-Me.), a member of the House Armed Services seapower subcommittee, said three surface combatants "is not enough." Worried by an increase in Soviet naval forces in recent years, Emery says the U.S. should produce at least three CG-47 cruisers, five FFG-7 frigates and three SSN-688 attack subs each year, as well as three more nuclear aircraft carriers. (Some Pentagon officials expect that the Reagan Administration will view carriers as necessary and viable warships, rather than the Carter Administration view that they are costly and vulnerable targets.)

A more wary observer, however, cautions those who expect significant increases in the

Navy's shipbuilding program: "It will depend on how much money we find floating around, and there won't be a lot of it."

Government sources say that \$19 million of the 1982 shipbuilding money will be used to purchase the British combat supply ship *Lyons*, which has been declared surplus by the British Navy. The 525-foot ship has already been chartered from Britain and is to join the U.S. Sixth Fleet in March. After its purchase, the *Lyons* will be fitted with communications gear and, possibly, helicopter servicing facilities.

The Carter budget also contains "several million dollars to charter three roll-on, roll-off transport ships from the Lykes Brothers Steamship Co., Inc. of New Orleans, La. Under an arrangement being negotiated with the Navy's Military Sealift Command, Lykes will purchase the ships from Hansa Lines of Germany and renovate them for charter to the Navy.

Carter's 1982 shipbuilding program would fund the fifth CG-47 cruiser equipped with the Aegis combat system. The third and fourth ships were funded last year at about \$815 million each, and are being built by the Ingalls Shipbuilding Corp. The Navy wants to build 21 CG-47s.

The single frigate in the budget is in stark contrast to the four FFG-7s funded this year, "a reduction which may have a few supporters in the Pentagon. The Navy wants heavy ships and isn't interested in having too many frigates around," says a congressional aide. Congress has authorized construction of 40 frigates; seven have been delivered. The FFG-7s are being built by two companies—Bath Iron Works and Todd Shipyards Corp.

The single Trident in Carter's budget would be the Navy's ninth. The *Ohio*, lead ship in the class, is scheduled for completion in June though skeptics say it may be late August before the Navy accepts delivery from General Dynamics. The second sub, the *Michigan*, is scheduled for completion about four months after the *Ohio*.

The lone SSN-688 in the 1982 budget proposal would provide the Navy with its 18th attack submarine. The Navy wants to build a total of 35. The attack subs are being built by General Dynamics and the Newport News Ship Building and Dry Dock Co. of Newport News, Va.

The four TAGOS ships in the 1982 budget would complete the Navy's requirement for a dozen of the undersea surveillance vessels. TAGOS ships, which are manned by civilian crewmen, pull a long linear array of hydrophone collection devices through the water to collect undersea acoustic data.

PROBE OF NAVY-ELECTRIC BOAT RELATIONS SOUGHT BY BEARD

Perturbed by the Navy's refusal to provide detailed information about why construction of Trident nuclear submarines has been repeatedly delayed, Rep. Robin Beard (R-Tenn.) has called for a congressional investigation of the submarine program. In a January 9 letter to Rep. Charles Bennett (D-Fla.), chairman of the House Armed Services seapower subcommittee, Beard says that the subcommittee should investigate the relationship between the Navy and Electric Boat, builder of the Trident subs, which has led to the "inexcusable delay" of more than two years and over \$250 million in cost overruns.

Beard wants details about private meetings between Electric Boat executives and Navy Secretary Edward Hidalgo which may have been held to decide who should pay for

the cost overruns. In a letter to Hidalgo last month, Beard demanded a record of all Hidalgo's meetings with Electric Boat officials and a listing of the Navy personnel present at each meeting. In addition, Beard asked Hidalgo for an explanation of "what decisions were made."

In a November 21, letter to Hidalgo, Beard said: "In view of the fact that our nuclear submarines are becoming an increasingly important part of the U.S. strategic triad, I am disturbed that the Trident program has been characterized by a series of delays . . . [which were] caused in large part by quality control problems at the Electric Boat shipyard in Groton, Connecticut, pertaining to the welding, steel plating and turbine rotors" for the submarines. Beard asked for a summary of quality control problems at Electric Boat and the Navy's proposed remedies. Hidalgo has not answered either request despite his repeated promises to do so, Beard told Defense Week, adding: "I am beginning to detect the odor of something that smells wrong." Beard said he wants to determine if Hidalgo discussed the cost overruns with Electric Boat during meetings in which he was not accompanied by Navy lawyers or accountants. "I would hope that an investigation by Rep. Bennett would cover all of these questions, and others," Beard said.

During hearings on the Trident program in September, Bennett said he would call Electric Boat executives to testify early this year. Further hearings have yet to be scheduled, however.

NAVY SUBMARINES: DELAYED AGAIN

The delivery of six of the Navy's SSN-688 attack submarines has been delayed once again. In a January 5, letter to the House and Senate Armed Services committees, former Navy Secretary Edward Hidalgo said delivery of the six submarines would be delayed from two to eight months beyond the dates in a submarine delivery schedule sent to the Navy only five months ago by General Dynamics Corp., builder of the attack boats. For example, the *Bremerton*, SSN-698, will be delivered in February this year rather than last December, as originally projected, while the *Boston*, SSN-703, will be delivered in June 1982, instead of September 1981.

In addition, Hidalgo indicated that there may be further delays in the Trident nuclear ballistic missile submarines. A General Dynamics review of the Trident construction program, which is now underway, may show further delays in store. Delivery of the *Ohio*, the lead Trident, is expected in June.

A chief reason for the delay, according to government and industry sources, is that the correction of several quality control problems at General Dynamics' shipyard in Groton, Conn., is taking longer than anticipated. Faulty submarine propulsion systems designed by the General Electric Co., are being replaced, as is some of the low-carbon steel supplied by various subcontractors. The attack boats and Trident subs were affected.

Meanwhile, Rep. Charles Bennett (D-Fla.), chairman of the House Armed Services seapower subcommittee has indicated he may broaden the scope of his hearings on the Navy's submarine construction programs to investigate the relationship between Hidalgo and General Dynamics, builder of many of the attack boats and all Trident nuclear submarines.

In a January 19 letter to Rep. Robin Beard (R-Tenn.), Bennett implied his subcommittee may look into the reasons for several private meetings between Hidalgo and two General Dynamics executives: Board Chairman David Lewis and Executive Vice President P. Takis Viliotis, head of the corporation's marine division. "If you feel further investigation is needed," Bennett wrote Beard, "the hearings . . . to be held early this year could be widened to include any matter relative to naval ship construction."

In early January, Beard asked Bennett to determine if any decisions were made during at least five private meetings between Hidalgo and the corporate executives. Specifically, Beard wants to know if they discussed the resolution of approximately

\$250 million in cost overruns on the Trident program.

In answer to a series of requests from Beard, the Navy recently confirmed that Hidalgo had a private meeting in his office with Lewis on February 11, 1980, and held four such meetings with Viliotis in May, July, October and December. On Jan. 2, 1981, three days before his letter announcing the new delays, Hidalgo met again with Viliotis, but this time he was accompanied by three Navy officials, including Coleman Hicks, the general counsel.

In a recent memorandum to Beard, the Navy asserts that, "These were not decision-making meetings, but rather meetings for the purpose of exchanging information and mutual views. Maintaining open lines of communication is always important, but during periods when a shipbuilder is en-

countering production delays, it is essential." A General Dynamics spokesman declined comment on the substance of Hidalgo's meetings with Lewis and Viliotis.

The SSN-688 attack submarines are designed to destroy ships, principally submarines. Each carries a crew of 102 and displaces 6,900 tons. The Navy wants about 35 of the new subs, including 10 already in the fleet, eight under construction (including two by the Newport News Shipbuilding and Dry Dock Co., a Tenneco subsidiary) and 14 to be funded by 1986, according to the Navy's five-year shipbuilding program released last week. The Pentagon's 1982 budget contains \$576.7 million for procurement of one SSN-688. Millions more for "cost growth," outfitting and research run the cost up to \$778.8 million.●