EXTENSIONS OF REMARKS

NCLC—LAROUCHE GROUP REORGANIZES

HON. LARRY McDONALD
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. McDONALD. Mr. Speaker, members of the political cult led by Lyndon LaRouche again have undergone an organizational shakeup. Veteran LaRouche followers have been purged and the U.S. Labor Party (USLP) has been declared defunct. The original LaRouche organization, the National Caucus of Labor Committees (NCLC), remains as the core group of "friends of Lyndon LaRouche." But the NCLC's former principal political front, the USLP, has been abandoned in favor of a new grouping, the National Democratic Policy Committee (NDPC), which appeared following the Democratic National Convention.

New Solidarity, which proclaimed itself "The newspaper of the National Caucus of Labor Committees" until September 1979, now claims to be the "National Non-Partisan Newspaper of the American Whig Tradition." The revised terminology notwithstanding, the NCLC has not disbanded; and the list of offices, post office boxes, and phone numbers formerly published in New Solidarity as those of both the NCLC and the USLP have been relabeled "New Solidarity International Press Service (NSIPS)."

In part, the NCLC reoganization has developed from LaRouche's 1979-1980 effort to run as the Democratic Party's candidate for President of the United States. LaRouche and his followers have frequently floated grandiose schemes and plans. Rebuffed by Democratic voters in the primaries, and also with the loss of a recent court suit possibly providing impetus for abandoning the USLP, LaRouche is directing his followers to work within the Democratic Party via their new NDPC front. This is a tactic known as entryism—a favorite among Trotskyite Communists. Undoubtedly LaRouche became familiar with it during his dozen years as a member of the Socialist Workers Party (SWP).

As I have documented in previous reports to my colleagues on threats to the internal security of the United States (see the CONGRESSIONAL RECORD, Extensions of Remarks, for January 26, 1977; and June 28, 1977), the National Caucus of Labor Committees (NCLC) is a violence-prone, totalitarian political group.

The NCLC exhibits an extreme form of the personality cult customarily developed by contemporary totalitarian leaders whether Stalin, Mao, Hitler, or Enver Hoxha at the state level. Maintaining unswerving loyalty from his followers obviously has been a problem for LaRouche, who found he could not pretend to be a revolutionary demi-god unless he could distract his lackeys' eyes from his defects.

LaRouche's solution has been to maintain a near-hysterical fevered atmosphere inside the NCLC organization. To as great an extent as possible, the NCLC is a closed band, but one with its own unique twist that makes it as bizarre among political groupings as a "Moebius strip" is among geometrical figures.

LaRouche maintains an atmosphere of panic, paranoia, and confusion among his followers designed to prevent the sort of independent thinking and reflection that might lead them to challenge his orders or leave to find some more normal political grouping. Primarily, LaRouche relies on the tactic of repeatedly discovering bizarre assassination plots directed against him along with alleged treacheries among his followers and wild claims of grandiose international conspiracies, plots, and schemes—all averted only by the frenetic activity of his loyal "Caucusoids."

The replacement of the U.S. Labor Party by another "Caucusoid" front, the National Democratic Policy Committee, has occurred at the same time the USLP has lost a lawsuit it filed against the Anti-Defamation League (ADL) of B'nai B'rith. LaRouche's followers filed the lawsuit, demanding $26 million in damages, after the ADL published a report documenting the virulently antisemitic content of the USLP publications.

The trial judge in the New York State Supreme Court issued a 22-page opinion in which he said ADL's criticisms constituted fair comment on the positions and statements of USLP spokesmen. The judge concluded:

> It is only through public expression, protected so zealously by the First Amendment, that the clandestine work of bigotry and intolerances, which flourishes when comment is suppressed, can be exposed to the full light of public scrutiny and dealt with appropriately.

In part, the NCLC/USLP adoption of antisemitism appears to be an outgrowth of its mid-1970's backing of Libyan dictator Muammar Qaddafi, and its long-term united front operation with Liberty Lobby, an organization founded by Willis Carto who seeks to use American populist causes as the method to bring about a National Socialist (Nazi) regime.

The National Caucus of Labor Committees has undergone a number of bizarre shifts in its political line—the result of a combination of LaRouche's opportunism and his constant need to seek new issues to absorb his followers' interests and energies. However, it has been supportive of the Soviet Union for at least the past 7 years—a record of consistency for this group.

For example, in November 1973, NCLC backed a Middle East peacekeeping force of Soviet troops that would be better able to control the U.S.S.R.'s Middle East "clients." In 1974 and 1975, NCLC denounced arrests of Soviet-line Communists in Argentina and the shooting of members of a terrorist group run by the Moscow-line Colombian Communist Party, and alleged that the CIA was involved.

From 1976 through 1978, the NCLC/USLP line claimed that the CIA and Western intelligence agencies ran the Italian Red Brigades and West German Baader-Meinhof terrorists in order to bring about chaos and an excuse for institution of fascism. The same themes were played in the Soviet bloc press and in the media of a number of Western Marxist groups. The false claim that the CIA was responsible for the Red Brigades kidnaping and murder of former Italian prime minister Aldo Moro was a favorite KGB disinformation theme.

Recently LaRouche has been smearing conservatives, anti-Communists, journalists, and others as "KGB moles." LaRouche and his followers rationalize this by asserting that Soviet Communist Party chief Leonid Brezhnev is the world's leading supporter of peace who must be supported; but that there is a small faction in the KGB which wants nuclear war and uses its special agents—leading Western conservatives—to start one.

As have many anti-Semitic groups, the NCLC/USLP combined its smear attacks on American and Western European Jews with attacks on Israel. In 1973, the focus was the Middle East war and the sale of Israel bonds in the United States. By the next year, the NCLC was denouncing Israeli counterterrorist efforts as terror units and excoriated strikes against PLO centers in southern Lebanon.

During 1975, when the first reports of a massive Soviet military buildup began reaching the mass media and while evidence of direct Soviet backing for the MPLA in Angola mounted, the NCLC commenced charges that a

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

United States-British "axis" was "reviving the cold war." The "Caucusoid" backing of Stalinist chief of the Portuguese Communist Party, Alvaro Cunhal was hardly surprising. In 1977, the uncovering of a Soviet espionage ring in New Jersey was termed by NCLC/USLP "an undisguised attempt to provoke the Warsaw Pact," but, continued NCLC, "the socialist sector with Czechoslovakia in the lead, is fast unraveling the * * * networks Wall Street has used against it." By this, the NCLC was backing the persecution of the charter 77 dissidents.

And so the use in NCLC 1980 publications of materials from official Soviet propaganda media has not been a completely unprecedented development in the development of the LaRouche group. NCLC/USLP literature also has been supporting quite a few Cuban interests in Central and South America. These include attacking the Venezuelan Government because its supreme court overturned the convictions of four anti-Castro exiles; claiming prior to the Jamaican election that the Jamaican Labor Party, which was successful, was trying to bring about anarchy and civil war to benefit international drug dealers; and that conservative think tanks were conspiring to "collapse the Cuban economy and magnify internal political dissidence on the island."

As I have previously reported to my colleagues, NCLC chief Lyndon LaRouche was a member of the Trotskyite Communist Socialist Workers Party from the late 1940's to the early 1960's. After leaving the SWP, he became involved with Trotskyite splinter sects. When none of these groups recognized, as he wished, that Lyndon LaRouche, then using the alias or party name Lyn Marcus, was really a theoretician above the rank of Karl Marx, he formed his own small group.

Practicing the old Trotskyite technique called entryism, LaRouche's labor committees joined Students for a Democratic Society and recruited among SDS members. Lyn Marcus was sufficiently highly thought of by New York SDS members that he and several other labor committee leaders taught at the 1968 "Liberation School" held by SDS at Columbia University that summer. Just before faction fighting destroyed SDS, the organization expelled the SDS labor committees.

Despite the expulsion, assorted radical figures rallied to the defense of labor committee members arrested on weapons and explosives charges. For 3 years, the NCLC took a low profile. Early in 1973, NCLC emerged from obscurity with a campaign of savage slander and physical assaults on members of rival revolutionary groups. The SWP and the Communist Party, U.S.A., of which LaRouche was briefly a member, were the chief targets.

Bizarre and slanderous smears of all individuals perceived by LaRouche and the NCLC/USLP have become the hallmark of the group.

The NCLC has since ignored the CPUSA and SWP. LaRouche has found more interesting targets. NCLC/USLP continuously finds conspiracies which are trying to kill LaRouche, or provoke Russia into a nuclear war. At various times, these conspiracies have been run by amorphous entity termed "British intelligence" but which has been expanded to include hundreds of British and American organizations, corporations, research institutes, foundations, banks, legislators, government officials, organized crime chiefs, and individuals from reporters and novelists to songwriters.

When the Anti-Defamation League criticized NCLC/USLP antisemitism, New Solidarity, the newspaper of the National Caucus of Labor Committees and the U.S. Labor Party, ran a front-page story—August 22, 1978—headlined, "Israeli Intelligence Runs World Terrorism," by Jeffrey Steinberg, a long-time "Caucusoid." Steinberg wrote that a "terrorist international run largely through Israeli intelligence and its affiliated Zionist networks within Western Europe, the United States and Canada" was "responsible for the kidnaping and assassination of Hanns-Martin Schleyer and Aldo Moro."

Steinberg, who is styled the counter-intelligence editor of subsidiary NCLC publications, the Executive Intelligence Review, and Investigative Leads, was also security director of Citizens for LaRouche. LaRouche's security squads have received professional training in firearms and executive protection techniques. As a loyal cadre of LaRouche's political cult, Steinberg continues to churn out material for New Solidarity, now termed an "independent" newspaper. A recent article described U.S. neo-Nazi groups as "not a small band of criminal lunatics, but instead the covert arm of the secret services of several governments" which NCLC indicates are the United States, Britain, and Israel.

As noted earlier, LaRouche has customarily utilized the "Big Lie" technique against his targets. Currently the NCLC cadre are circulating an article on the letterhead of the New Solidarity International Press Service (NSIPS) signed by LaRouche, smearing several individuals as "'moles' linked to Soviet KGB Gen. H. 'Kim' Philby."

It is interesting that the NCLC fuhrer chooses to smear as covert KGB agents a number of well-known investigative reporters. Some of them are well known as conservatives; others are liberals or even radicals. What they have in common is having investigated and written critically on the activities of Lyndon LaRouche and his minions.

Among those being smeared by LaRouche as "moles linked to Soviet KGB Gen. H. Philby" are John Rees, publisher of the respected newsletter on U.S. political groups, the Information Digest; political columnist ("The Intelligence War") Robert Moss; Michael Hementhaler, a member of the staff of the House Science and Technology Subcommittee, and Charles Fager, formerly a reporter for the Boston Phoenix, and who is now on the staff of my distinguished colleague from California, the Honorable PAUL N. MCCLOSKEY.

The institutions smeared include the conservative think tank, the Heritage Foundation, which has published criticisms of the NCLC.

Some 6 years ago, John Rees published a richly documented report on the origins, development, and activities of the LaRouche group. His wife, Louise, a member of my staff, has provided me with continuing updated research on terrorism, and on threats to U.S. security including LaRouche's NCLC apparatus. Independently, Chuck Fager also carried out original research into LaRouche's political history and NCLC, published in the Boston Phoenix. In the course of researching the article, he interviewed LaRouche's parents—an action which evidently earned him the undying enmity of the NCLC boss.

LaRouche's cadre have forgotten that information must be evaluated according to its source. LaRouche's efforts to discredit individuals and organizations who have exposed the activities of violence-oriented extremist groups—both his NCLC and others—have had the effect only of confirming the placement of NCLC and all other LaRouche operations in that category.

The operations of violence-oriented armed extremist groups who utilize coercive manipulative techniques to maintain a cadre totally dedicated to the whims of its leader should be of concern to individual citizens, to law enforcement agencies, and to this body. In regard to the LaRouche organization, the potential of a recourse to violence or terrorism against perceived enemies is obvious.●

DR. MARTIN LUTHER KING—A GREAT AMERICAN

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. GILMAN. Mr. Speaker, earlier this week I had the privilege and pleasure of speaking before the Middletown High School on the occasion of Dr. Martin Luther King's birthday. Dr. Martin Luther King was a fine and exemplary American whose aims and goals of peace, nonviolence, and justice are in keeping with the desires of our Founding Fathers. His courageous stand on behalf of the rights of all Americans was not popular at the time that he espoused them; and yet Dr. King's vision transported him through hard times and through angry times.

We still have not declared the birthday of Dr. King a national holiday, although we came close to a final determination last Congress. I deeply hope that during the 97th Congress we will have the foresight to declare January 15 as a national holiday to commemorate the life and work of one of America's greatest leaders and true prophets.

Mr. Speaker, at this time I request permission to insert the brief remarks delivered at Middletown High School in the RECORD:

STATEMENT ON MARTIN LUTHER KING, JR., JANUARY 15, 1981

If he were not cut down in the prime of his life nearly thirteen years ago, the Rev. Martin Luther King, Jr., would be celebrating his fifty-second birthday today.

When I heard the news of Dr. King's tragic and senseless assassination on that sad April night in 1968, I was driving on the New York Thruway, returning from a meeting of the New York State Assembly in Albany, where I was then representing the 95th Assembly District of New York.

I shall never forget the thoughts that raced through my mind as the radio announcer injected that infamous bulletin.

I felt anger, sickness, fear, and pity.

Dr. King possessed so many noble virtues, and he exhibited them daily. He constantly intertwined courage and charity. He showed all people that social change can be brought about through the use of nonviolence. He made his arguments against bigotry, prejudice, and hatred living lessons for all of us.

The life of Dr. Martin Luther King was snuffed out prematurely, but his truths go marching on:

As long as inequality exists, as long as injustice exists, and until we truly become a land of brotherhood with equal justice for all, the goals which Dr. King set for all of us will be remembered. And the struggle will go on.

We will always remember the 1955 bus boycott in Montgomery, the demonstrations for equality in the early sixties, the march to Washington in 1963, the Civil Rights Act of 1964, and the march to Selma in 1965.

We will remember these milestones on the march to equal justice for all, and we will remember Martin Luther King for leading the way to each of these milestones and beyond.

Perhaps the greatest summary of Martin Luther King's career was presented to us by the Rev. Jesse Jackson, when he said of Dr. King:

He taught us that the freedom struggle is a marathon, not a sprint. A lot of people marched in Birmingham, then left, or marched in Selma, then left. But some of us learned that you've got to be there for a lifetime and be consistent, mountain high or mountain low. That gives you moral authority.

Dr. Martin Luther King Jr. had the moral authority to lead us all to moral, peaceful, non-violent change.●

CONGRESSMAN BILL GREEN SPEAKS ON RAISING THE RETIREMENT AGE

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. GREEN. Mr. Speaker, I have supported legislation in the last two Congresses which attempted to address the social security system's short- and long-term financial difficulties. My bill included proposals to raise the retirement age gradually from 65 to 68 beginning in the year 2000, eliminate gender based discrimination, eliminate the earnings limitation, and several other changes. On January 12, the National Commission on Social Security released its report on the program, proposing, among other things, that the normal retirement age for benefits be raised from 65 to 68 gradually after the turn of the century.

I am pleased that the Commission has proposed this change, as it is one which I have supported for some time, and which I believe merits our serious consideration. In the years after 2011, when the children of the postwar baby boom start turning 65, we shall be faced with a situation in which a roughly static work force will be paying for the retirement of an increasing number of older persons. My bill would not affect those who are presently retired, or who are considering retirement in the near future. It would simply provide payment into the system for an additional 3 years and put off collection of benefits for an additional 3 years. This small change would recognize that people are living and working longer today, and update the 45-year-old system to accommodate the lifestyles and health of today's and tomorrow's Americans.

I will introduce my bill—with a few minor changes—in the 97th Congress. I hope that action will be taken on the bill, particularly the provision pertaining to the retirement age. The importance of addressing the issues raised by the financial difficulty which the system faces cannot be stressed enough, and I look forward to solving the short- and long-term problems in the 97th Congress.●

DAVID ROCKEFELLER SPEAKS ON INFLATION

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. GRADISON. Mr. Speaker, no problem is more acute than inflation in America today, and there are few persons better able to advise us on how to deal with inflation than David Rockefeller, chairman of the Chase Manhattan Bank. For this reason I call to the attention of my colleagues Mr. Rockefeller's October 13, 1980, keynote address at the American Bankers Association convention in Chicago:

As always, I feel it is a special honor—even a spiritual homecoming—to address the American Bankers Association. I have been a banker now nearly 35 years, and there is no audience before which I feel so comfortable—and compatible.

It is a particular honor to be asked to speak to this distinguished group just two years after my first keynote address before you. On that occasion, I said—and I quote—"our economic problems are complex and not easily solved. But in my view, we cannot even begin to get at these problems unless we first attack one insidious root cause—namely government deficit spending and through it, that curse to all humanity—inflation."

Well, I guess the ABA feels that if at first you don't succeed, try, try again. Because here I am, back once more, with the same message and even greater urgency. During the last two years, inflation has continued to surge, and deficits have continued to grow. Productivity has continued to deteriorate, and personal savings—a vital source of future productivity growth and a crucial bastion against inflation—have shrivelled to the lowest level in recent history . . . and to the lowest rate of increase in the free world.

There is no question that we face an inflation crisis of worldwide reach and profound ramifications in the United States. Nonetheless, discussions of this crisis all too often drift off into metaphor, without first driving home the specific character and consequences of the problem. Inflation is compared to a "mythical dragon" that devours our substance; or "obesity," an effect of excessive consumption; or a "fire," as in the common warning not to fuel its flames. Or inflation is seen as a problem of the aerodynamics of money: the economy viewed as an airplane that has to be brought down safely, avoiding two extremes—either a crash landing or a runaway into an orbit of hyperinflation.

All these metaphors are vivid and alarming, particularly in combination: "an obese and blazing airborne dragon." But such images leave the audience more frightened than informed. Inflation is not a U.F.O. It is a mundane and pervasive reality that should be carefully considered in view of its effects and causes, its nature and its remedy.

Notice I mentioned its effects before its causes. That is because inflation is so often defined by its effects—namely rising prices—that many people have come to believe that rising prices are both the cause and the effect.

A recent study of the coverage of inflation on television news programs found that 80 percent of the reports deal with the problem only as a matter of price hikes or wage increases. The public then learns to see inflation as something done by the private sector: businesses lifting prices and pulling in higher profits; workers demanding raises; bankers asking higher interest rates. The government is left altogether out, which is somewhat like giving a performance of Hamlet without the moody Danish prince—in this case the moody American Administration, Congress, and Federal Reserve Board. For inflation as every banker knows, is a decline in the value of money—and only government has the power to debase the currency by creating too much of it.

Nonetheless, erratically rising prices are indeed a key facet of inflation and an index of its destructive effects. The effect on the poor is particularly grievous. The goods and services consumed by a family living on a low budget cost just under $7,000 in 1970. Today, they cost nearly $12,600. And at the inflation rate of the last five years, this budget will be over $24,000 by 1990.

The food budget of an average family of four has risen from $59 a week in 1970 to $122 today.

This family can no longer afford a new house. A house that cost $29,000 to buy in 1970 would cost about $75,000 today. At the recent rate of inflation, the price of an identical house will be $131,000 just five years from now—and $231,000 by 1990.

The insidious impact of inflation cuts across our entire society. For example, the fastest growing population group is the one between 25 and 34 years of age: the period when most people marry and have their first children. According to the Department of Labor, such a family will have to double its real income in 10 years, even to maintain its standard of living as it moves from being a family of two to becoming a family of four.

Older people also suffer from inflation. Even though social security payments are tied to the Consumer Price Index, social security, on the average, amounts to just one-third of the incomes of the elderly. The elderly also hold approximately one-third of the nation's personal savings, and inflation has been destroying these savings at a rate of more than 10 percent a year—or an estimated $30 billion in 1979 alone. The sad fact is that what the government gives the elderly with one hand, it takes away with the other.

Some analysts of inflation—and demagogic politicians—try to divide the American people by blaming the problem on one group or another in the private sector: whether profiteering capitalists or greedy workers or grasping lobbies or even interest-gouging bankers.

Such explanations may be politically appealing. But to speak of a "wage-price spiral" and blame it on either wages or prices misses the point. Wages after all are simply the *price* of labor. What we really have is a "price-price spiral." Even interest rates can be considered the price of money, and the greater part of them now consists of an *inflation premium* based on expectations of inflation.

And there is one further price—or more accurately, *cost*—that is the most onerous of all. Over the last decade, this cost has risen faster than the cost of food or the cost of housing, faster than wages and infinitely faster than profits. You might think that I am speaking of the cost of energy. Well, I am not. The fastest rising cost in the American economy over the past 15 years is neither the cost of haircuts nor mortgages nor any of the other goods and services in the Consumer Price Index. It is the cost of *government*—federal, state and local—paid for through our systemic taxation.

Between 1975 and 1979, the Federal tax bill for all American families increased more than *eight* times as much as their fuel bill. During those years, personal consumption expenditures on gas and oil rose 65 percent, or by a total of more than $25 billion. Total personal taxes at the Federal level rose by $211 billion, or 78 percent, and total taxes at all levels rose by $303 billion.

To put it bluntly, the root of our current inflationary crisis is clearly the soaring price of government.

Yet this fact does not appear obvious to everyone. The monetarists among us have another explanation. They say inflation is a monetary phenomenon. We all know that if the supply of money increases more rapidly than supplies of goods and services, prices are likely to rise. The Federal Reserve has permitted this to happen. But a nagging question remains. Why has the supply of money in our country increased as much as it has—enough to fuel a rising inflation? Is it because our Federal Reserve is weak and supine, derelict in its duty to manage the money supply? Or are the reasons more complex?

I think the latter. In the end, in fact, the answer lies at the very heart of the socio-political process.

We don't have to search far and wide for the instigator of much of the increase in the money supply. It rests in the huge rise in government spending. As a nation, we have been unwilling to couple this increase in government claims on our economy with an equivalent reduction in private spending. Instead, we have countenanced a steady stream of government deficits. For 19 of the past 20 years, the Federal budget has been in deficit, with the total exceeding $400 billion. Add to this another $300 billion, representing borrowing and loan guarantees by over 150 Federal credit agencies, and it should be no mystery why our nation has experienced an inflationary increase in its money supply.

There are those who still contend that the Federal Reserve, like the Dutch boy with his finger in the dike, could have held back this monetary flood. Technically, this could have been possible. And yet, to do so would have been to fly in the face of what appeared to be the expressed will of the people. Budget deficits first ballooned as a result of the Vietnam War. They were compounded by the host of social programs that fell under the name of The Great Society—many of which were worthy in themselves, but which frequently were entered into with no understanding of future costs. Over the past decade, Federal outlays for education, health, social security and other benefits increased by $270 billion. And they now account for more than 60 percent of the total budget. Moreover, these outlays have gained the name "entitlements" and many have come to be indexed to inflation—so costs rise automatically.

These programs were all authorized by elected representatives of the people—who frequently promised that such programs would be enacted. That is why I say, in the end, inflation is the result of the socio-political process. It is not this group or that group that is to blame. All of us, collectively, are responsible.

It is popular these days and appropriate to analyze inflation and its cure in terms of demand side and supply elements. Clearly, the Federal budget is the outstanding culprit on the demand side.

A top priority of the new Congress therefore must be a more effective control over expenditures.

There is much to be said for further changes in the budget-making process—building on the reforms in the Budget Control Act of 1974—that would force Congress to control expenditures more effectively. One possibility would require any deficit to be approved by more than a simple majority vote—perhaps by two-thirds or more. Alternatively, a similar vote might be required to approve any appropriations bill. Or the President might be authorized to withhold expenditures that Congress has authorized, unless his decision is overridden by 60 percent of the Congress. Such changes merit serious consideration by both the Administration and the Congress.

At the same time, we must recognize that no effective control over expenses is possible without action on the so-called entitlements. Standards for some of these programs could be tightened without creating hardship for genuinely needy recipients. Moreover, the practice and method of indexing many of these benefits to inflation should be scrutinized carefully. Certainly upward adjustments for inflation need to be made for social security and other purposes. But I am opposed to using the Consumer Price Index as the inflation barometer for such purposes. Perhaps a more reasonable and more equitable measure would be the average increase in hourly wages. If this lagged somewhat behind the rate of inflation, both active workers and the retired would share the burden of adjustment during periods of rapid inflation. This approach would also permit retired people to share in the real growth of our economy once we got inflation under control.

While we as bankers should support efforts to bring the money supply under control, all the moral support in the world will be insufficient to ensure a sound monetary policy if Federal spending is allowed perpetually to expand beyond the willingness of the public to foot the bill.

Much of our tax system is also geared to the promotion of demand. In particular, capital gains taxes discourage saving. So too does the personal income tax. In both cases, income is taxed even if it is entirely lost to inflation. The tax system does not quite order us to spend rather than save. But an abysmal national record of saving indicates that more and more Americans are getting the point anyway.

While the government has promoted consumption, it has also been busy discouraging supply. If inflation can be roughly summed up as too much money chasing too few goods, a relative decline in production is as inflationary as a relative increase in money.

Inflation has made a travesty of reported corporate profits. American industry was reported to enjoy before-tax profits of close to $240 billion in 1979. A quarter of that amount represented under depreciation of assets and appreciation of inventory. These profits, of course, are not real; capital must be available to replace them. But the supposed gains are taxed anyway—and the capital available to expand production and improve efficiency accordingly erodes—a process that goes on year after year.

Environmental, health, safety and other regulations proliferate. They not only add directly to costs, and, therefore prices, but they also preempt billions in capital that otherwise might be productive.

Small wonder that the United States trails most of the major industrial nations in the share of output devoted to capital investment. Even less wonder that it trails in improving productivity and thus raising its standard of living.

A meaningful program to restrain inflation must emphasize an aggressive array of regulatory reforms and judicious supply-side tax cuts.

Many regulations—in the environmental, civil rights, and other areas—are useful and necessary. But too many regulations, issued too rapidly and thoughtlessly, in ever greater complexity, defeat their every purpose, except perhaps the enlargement of governmental power. A crucial mandate is to prune the forest of rules and let the economy grow.

Equally important is a prudent program of tax cuts for corporations and individuals. The initial purpose of supply side tax cuts is to counteract the damage already inflicted on America's corporations by the vicious interplay of inflation and taxes. While there is still some disagreement on the form that depreciation reform should take, there is now gratifying agreement that it has top priority in tax reform—that we must increase, and increase dramatically, the speed at which new plant and equipment can be written off. We should also implement a judicious program of income tax cuts that will ultimately encourage personal savings.

Special assistance for R&D also is justified because its benefits spread far beyond the company pursuing it. Otto Eckstein of Data Resources has concluded that supply side tax reforms designed to enhance productivity can be an effective instrument in overcoming inflation. In a report for the Joint Economic Committee, he presented empirical evidence of a multiplier effect in the relationship between productivity and inflation. Each sustained increase of one percent in productivity growth can bring a two percent reduction in the rate of inflation.

In the long run, innovation is perhaps the economy's most potent force for lower prices. Between 1950 and 1974, for example, high technology companies grew about twice as fast as the rest of the economy, while their prices grew only one-sixth as fast. In general, throughout the economy, the companies with the highest profits are those that can use earnings most productively in reducing the costs of the entire system.

Let me conclude on this note.

As bankers, you and I—and particularly you—must spread the word to all of those with whom we come in contact—our customers, our neighbors, the media, and politicians alike. We must convince our constituents that inflation, once and for all, must be brought under control. You in this audience carry considerable clout in your local communities. I would urge you to use it—to demand an end to the debauchery of the money of the American people and the betrayal of their trust.

The key truth we must communicate, the crucial fact we must face is that unless we halt the irresponsible growth of government spending—we will fail in all our other goals.

It is that simple and also that painful.

We are talking about programs that involve literally millions of Americans. The growth of such programs over the past 40 years is a great tribute to the generosity of the American people—and no major politician or other American leader, least of all myself—wishes to have these programs repealed.

But I would not be honest with you if I did not say something else: the headlong expansion of government benefits, if it continues, will make it impossible for us to control inflation, or restore healthy economic growth, or provide adequately for the national defense. The burden of government benefits on the productive economy must first be reduced, and future increases must be no greater than can be soundly supported by growth in the private economy.

We have reached the end of the line. The growth of social programs can no longer exceed the growth of the businesses on which they finally depend.

This is the bottom line.

But there is also a line of hope. For the best way to reduce the burden on all Americans is to enlarge the total economy and to give the poor and unemployed opportunities for real jobs. And that can be done if we have faith in the future of freedom. We can never surely predict what is to come. But we can be sure that any trial or difficulty can be overcome by the American people, if their leaders trust them to be free.

By relieving our workers and entrepreneurs of the burdens of inflation and controls, we can release the most powerful energies in the history of the globe—the energies that transformed a wilderness into the world's most productive economy. We face problems today. We confront limits. But if we remember our past, we can gain inspiration for our future. We can understand that our current limits and problems are merely our newest frontier.

In my own lifetime, I have seen America triumph over crises of depression and war far more desperate than our current plight. Provided we keep our trust with the American people—and maintain our faith in God and in freedom—I am confident we can prevail over the curse of inflation that afflicts us today.●

DECONTROL OIL NOW, AND SAVE

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. PARRIS. Mr. Speaker, as President Reagan begins his term of office as the 40th President of the United States, he faces a unique challenge in his effort to restore our economy.

One of the first steps he can take, which I believe will greatly assist America in its effort to reduce our dependence on foreign sources of energy, is to immediately decontrol the price of domestically produced petroleum.

These controls are scheduled to expire at the end of September 1981 and this action by the President would send a clear message to our allies of our willingness to reduce our level of imports.

I would like to insert at this time an article which appeared in the Washington Star of Sunday, January 11, 1981, for my colleagues' benefit and use.

The article follows:

DECONTROL OIL NOW, AND SAVE

It may not make sense at first glance, but immediate decontrol of domestic crude oil prices could end up saving the American consumer a lot of money. For quick decontrol is one of the most important steps that can be taken to try to prevent another devastating run-up in world oil prices that might well result from the Iran-Iraq War.

Price controls on oil keep average domestic crude oil prices $6 or so a barrel below world levels. The "composite" price, that is, the price of the national blend of domestic and imported oil which determines what consumers pay for products, will be about $3.50 a barrel lower than the average world price of about $39 a barrel, after the recent OPEC prices increases.

Price controls are scheduled to expire at the end of September. But some in the new Reagan administration argue that it should happen much sooner. In his "Economic Dunkirk" memorandum, budget director-designate David Stockman urged that domestic crude oil prices be "administratively terminated cold turkey" by February 1. Another Reagan adviser has recommended even swifter action—that he decontrol "within the first hour of moving into the White House and changing into his working clothes."

A number of reasons have emerged for swift decontrol. The most compelling, ironically, is that decontrol now might end up being cheaper for consumers than decontrol eight months later.

Oil prices were controlled along with everything else in 1971, as part of the Nixon freeze on wages and prices. Then a sudden rise in the world market in 1973-74 led to a long, grueling battle over domestic oil prices. Should they be set by the world market? Or should they somehow be restrained? Was the quadrupling in prices the result of international pressures or oil company manipulation? Were oil-company profits "obscene"?

The outcome of the debate was a clumsy, unwieldy system of oil price controls which, in 1975, were extended at least through September 1981, with the option to renew. In the period 1976-78, the composite price resulting from the blending of domestic prices with imported prices was 15 to 25 per cent less than the world price.

On April 5, 1979, in the midst of the Second Oil Shock, set off by the fall of the shah of Iran, President Carter announced that he would allow controls to run out at the end of September 1981. The move made a great deal of sense. For, during the latter half of the 1970s, American oil imports had increased dramatically—up to almost half of total domestic consumption. The United States had become by far the largest buyer of oil in the world and in German Chancellor Helmut Schmidt's phrase, its "sheer weight" in terms of imports and consumption had a profound impact on the market. Yet American consumers were given false signals by prices that, in effect, "lied" about the relationship of the domestic to the world market.

Amidst the passions and suspicions of those months, President Carter's act was a courageous political decision. It was received with surprising calm. Perhaps the public's thinking on the oil problem was undergoing a change. The fall of the shah and the rise of the ayatollah was bringing home how power had shifted from the oil companies to OPEC. Moreover, President Carter had followed up with a windfall profits tax that responded, in the eyes of many, to the equity issue.

But since the 1980 election, pressures have been building for immediate decontrol. Some of that can be explained in terms of basic Reagan policies—cut back on regulation, depend on the market—and as a response to vocal supporters.

The urgency, however, arises from another reason—the continuing war between Iran and Iraq. Given the amount of oil lost to the world market because of the conflict (about 4 million barrels a day), as well as the risk that the war might spread, the world market has been relatively stable. This stability has been the result of high inventories, conservation, and recession in the consuming world. In addition, the International Energy Agency has provided a helpful framework for the Western nations to avoid the kind of competitive bidding that resulted in the more than doubling of oil prices in 1979 and the first part of 1980.

There are growing signs, however, that the calm could well turn into a storm, and the world in the spring and summer months could face another round of leapfrog and scrambling in the world oil market. Spot prices have begun to rise again. Since their mid-December meeting in Bali, the OPEC countries have begun pushing up prices, more than was at first expected. The Western Europeans and the Japanese are getting nervous, not knowing whether the Reagan administration will maintain the same level of commitment to a cooperative response. If they conclude that the United States is going to do otherwise, then they are likely to jump into the market, paying high spot prices for those extra barrels.

THE COST OF DECONTROL

What would be the costs to the American consumer of immediate decontrol?

Under phased decontrol, as currently working, the price of a "composite" barrel would rise gradually and reach completely decontrolled levels by Oct. 1, 1981. At that time, gasoline at the pump would be 22 cents a gallon higher than it is today if OPEC does not increase prices further. About 10 cents of this would be due to the recent OPEC price rise, and 12 cents would be due to decontrol. But with immediate decontrol, the rise of about 12 cents a gallon would occur fairly quickly—in a matter of weeks, rather than months.

In theory, at the end of the eight-month period, U.S. petroleum prices would be the same with either gradual or immediate decontrol. But, in fact, immediate decontrol likely would cause lower prices to exist on October 1, 1981, than if the prices were gradually decontrolled. Here are the reasons: (*1*) Immediate decontrol would help reduce U.S. imports during the interim period. (*2*) This would ease pressure on the world oil market. (*3*) This, in turn, would reduce the likelihood of a continuing increase in world oil prices.

In other words, the U.S. oil consumer faces the alternative of paying somewhat more now, or paying a good deal more later.

How would the higher oil prices that would result from swift decontrol reduce U.S. imports? In two ways: by reducing U.S. oil consumption and/or increasing U.S. oil production. In our judgment, a reduction in consumption is likely to be the most important.

Higher prices per se, of course, cause consumers to use less oil, sometimes by just doing without, and sometimes by substituting other forms of energy for oil. A one-step, highly visible price increase has more of an impact on consumer psychology than a gradual increase of, say, 1½ cents a month. The recognition would be driven home that the U.S. is no longer insulated from the world oil market.

This latter message will be received not only by U.S. consumers but also by government and consumers abroad. As a result, foreign governments will be in a better political position to instigate additional conservation measures there and to restrain spot bidding by their oil companies. Potential bidders for the high-priced spot crude could not be sure of making a profit on it. Thus, the U.S. actions will have a positive effect throughout the world.

DEMAND OUTSTRIPS SUPPLY

Because of the loss of crude oil in the world market due to the Iraq-Iran War, reduced demand on the market is of special importance now. The world is now consuming about 3.5 million barrels more crude oil each day than is being produced. In other words, each month inventories are falling by over 100 million barrels; and they will continue to fall until April 1980, when the seasonal decline in demand will drop consumption down to the level of available production. True, it would seem that ample crude oil would be available to meet summer requirements. But the problem is that a surplus of summer production will be needed to build up inventories for the following winter.

Therefore, unless the Iraq-Iran War eases sufficiently to allow the export of significant quantities of oil from Iraq and Iran by the latter half of 1981, a real shortage could develop next winter. The companies, fearing the greater consequences of a winter shortage compared with a summer one, would likely begin to build up inventories during the summer, thereby, in effect, moving the shortage forward into the summer. The likely result: higher crude oil prices in summer 1981. (For that matter, given the uncertainties of a continuing Iran-Iraq War, the companies might be unwilling to draw down their inventories even that long. In that case, a sharp upward movement in oil prices could occur even earlier, this spring.)

Hence the need to decontrol domestic oil prices now in order to head off what are likely to be substantially higher prices a little later in 1981. The final result of immediate decontrol would almost surely be lower oil prices in October.

There has been, of course, talk that immediate decontrol would result in increased U.S. production. In theory, this is logical. But in practice the impact on production would probably be minimal: for one thing, there is little spare rig capacity that could be brought into play prior to October.

TEN BILLION DOLLARS NOW, OR . . .

If immediate decontrol had no effect on world oil prices, then the amount of extra money to be paid by consumers between January and October 1981 would be in the area of $10 billion. As receipts, this $10 billion would be split very roughly as follows: oil companies, $2 billion; federal government, $7 billion; State and local governments, $1 billion. But if immediate decontrol does have the effects we describe, then it could end up saving the American consumer a lot of money. How?

Let us take as our time frame the years 1981 and 1982. Immediate decontrol, we have suggested, might cost the consumer about $10 billion—split up in the way described above.

But that must be weighed against the possible gains. A $1 increase in the price of oil on the world market that could have been averted by immediate decontrol would also end up costing the consumer $10 billion—except that $4 billion of this would leave the country to pay for imported oil.

FIFTY BILLION DOLLARS LATER

But if demand gets too hot this spring, the consequences in bid-up prices might well be more than $1. Consider the cost to the consumer of a $5 a barrel increase that otherwise would have been averted by swift decontrol—$50 billion, of which $20 billion would be exported to pay for oil imports. And then consider what a $10 a barrel increase would cost—$100 billion, of which $40 billion would be exported to pay for oil imports. The latter two assumptions for price increases are hardly unreasonable. After all, in the context of the 1979 oil shock, oil prices increased by $17 a barrel!

Yet the decision to decontrol swiftly should be taken with a sense of the political realities. In order to prevent an outbreak of renewed hostilities in the domestic political arena and the possible reimposition of controls at a later date, the new administration will need to attend to two important considerations.

PRESERVING EQUITY

The first is equity. Unless the system in which oil is decontrolled is seen to be fair by many consumers, then it will be subject to continuing political stress. Dealing with those stresses seems to have been one of the roles of the windfall profits tax. Almost certainly, it was a mistake to put a windfall tax on newly discovered oil; the urgency of finding new oil is so great that incentives should be pretty unambiguous. On the other hand, the windfall tax on old oil looks to be the price of decontrol in terms of the public's perception of equity.

Thus, if the Reagan administration decided to try to lift the windfall tax altogether, it might end up setting off a struggle that could lead after the 1982 election to recontrol! Nevertheless, as the new administration finds revenues from the windfall tax a useful way to meet other objectives, it is likely to lose interest in a wholesale repeal of the windfall tax.

The second requirement is the need to provide the American people with the tools to make a rapid adjustment to the rapid change in energy prices. This means such measures as expanded programs to make capital available for and to encourage investment in energy efficency—conservation. Thus, even as prices go up, their effects can be offset through increased efficiency that results in less consumption.

Without those tools, the "ouch" from the electorate is likely to become louder and louder, and the compelling and urgent arguments for permanent decontrol could end up being drowned out.●

TRIBUTE TO EMERSON HOLLOWAY

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. DYSON. Mr. Speaker, on New Year's Day, Wicomico County, on the lower Eastern Shore, lost one of its good friends, the Honorable Emerson Holloway.

The untimely passing away of Mr. Holloway is, indeed, a loss for the people of Wicomico County and his friends in Salisbury, Md. A member of the Wicomico County Council, Mr. Holloway was the first black ever elected to that position and his community was proud of the service he provided its citizens.

Mr. Holloway spent his life in the field of education, working for 33 years as a teacher and administrator in the Wicomico County School System. His dedication to children and the community was unwavering.

Mr. Speaker, as we sit up here on this hill overseeing the complex, often consuming needs of this country, we often neglect the simpler things of life. Emerson Holloway never overlooked the simple joys that came with community service. For men of his caliber, the smile of a child was as envigorating as an election win. I believe Emerson Holloway and his family believed in that principle and I would like to read a poem that they wrote for his funeral:

"Life's race well run
Life's work well done.
Life's crown is won.
Now comes rest."

Mr. Speaker, I thank you for your time.●

RUSSIFICATION OF BALTIC STATE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. DERWINSKI. Mr. Speaker, an article, which appeared in the December 16, Christian Science Monitor, draws attention to the tragedy that exists in the Soviet-conquered Baltic states. Christian Science Monitor Correspondent David Willis, reporting from Riga, Latvia, objectively comments on the strong determination of the people of these nations to continue to resist the "Russification" of their culture and national identities. The people of Lithuania, Estonia, and Latvia, have grudgingly learned to live with Russian rule, but have maintained their nationalistic spirit despite the blatant political repression, religious persecution, and cultural genocide to which they have been subjected by Moscow-imposed measures. It is of special importance that the United States continues to denounce the Soviet occupation and forcible annexation of these Baltic areas into the U.S.S.R.

I insert into the RECORD Mr. Willis' very timely article at this point:

RIGA, LATVIA, USSR.—Beneath the spires of medieval churches, along narrow, cobbled streets with the North German, Hanseatic flavor of Rostok and Lübeck, beside the glassy moats and stone towers of fairy-tale castles, the Baltic peoples of this non-Slav corner of the Soviet empire work to preserve their own cultural and national identities.

In Riga, the brooding, somber capital of Latvia, a broad-faced, quiet-spoken Latvian intellectual described how he and his friends take pride in their massive song festivals of 10,000 or more voices, and their own literature and art.

Latvian-language schools are reservoirs of local culture: Only about half the pupils bother to join the official Komsomol, or Young Communists' League—whereas in Russian-language schools the rate is 99 percent.

In all three Baltic states, primary and secondary school still takes one year longer than in the rest of the country: 11 years instead of 10. Local officials want to teach local culture as well as subjects required by Moscow. They fear then going back to 10 years would cut into local, not Russian, lessons.

In Tallinn, capital of neighboring Estonia, national pride is intense, linked in part to the local Lutheran faith.

During the 1980 Olympic yachting regatta, a senior official was asked by a Westerner how many gold medals his country had won. The answer was prompt: "One." The Westerner was puzzled: The Soviet Union had won at least 30 by then. He repeated the question. The answer was the same. Then the Westerner understood.

The official was referring to the gold medal won by Estonia (in the triple jump, by Jaak Uudmae). He had said it deliberately, to emphasize that the official considered himself an Estonian first, a Soviet citizen second.

Estonians easily understand Finnish, a sister language, and watch Finnish television from across the Gulf of Finland. They know as much about the West as East Germans do from West German TV.

The window on the West feeds glowing memories of Estonian independence between the two world wars and helps keep alive dissident activity in Tallinn and the university city of Tartu.

In Vilnius, capital of Lithuania, nationalism goes hand in hand with the Roman Catholic faith.

Believers sit in tiny apartments filled with crucifixes and color pictures of a Pope from neighboring Poland, and they tune into nightly 15-minute broadcasts from Vatican Radio.

Catholic sources estimate up to 75 percent of Lithuanians are believers: Party officials put the figure around 40 percent, which is still high. Masses are crowded. An underground church trains its own priests, claiming the sole seminary (in Kaunas) is infiltrated by the KGB.

Human-rights activists publish their own samizdat journal, Ausra, which means "Dawn" and is named after the first nationalist Lithuanian paper in the 1880s.

Few except the most fervent pretend that any of this resolute activity can lead to a return to political independence anytime soon. Soviet control, established after the 1939 Hitler-Stalin pact delineated spheres of influence, remains solid, brushing aside US refusal to acknowledge it.

Almost 50 percent of people living in the main cities are Russian Slavs. Only Russians are said to be allowed to work on the Riga docks, a mere few hundred miles around the Baltic coast from the militant shipyards of Gdansk, in Poland.

Walking through the streets of Riga, it is hard to hear Latvian spoken at all. Crowds of well-dressed Russians swing by, pushing in and out of cafes and shops more attractive than any in the Slavic republics.

The crackdown against dissidents in Moscow, Leningrad, Kiev, Yerevan, and Tbilisi after the 1975 Helsinki Final Act also took place in the baltics. Three Lithuanian activists, Balis Gayaskas, Viktoras Pyatkus, and Antonas Terleckas, have been jailed.

Mart Niklus and Yuri Kukk, both Estonians, are in custody. Three others, Enn Tarto, Erik Udam, and Endel Ratas, have been harassed since they and Niklus signed an appeal for Baltic independence in 1979.

Moscow keeps tight rein on local Communist parties and close watch on Americans and other Westerners who return to visit relatives.

The three republics may contain only 2.8 percent of the Soviet population (7.4 million out of 262 million in January 1979) and occupy less than 1 percent of Soviet territory, but they also represent highly strategic border areas, the invasion route for invaders from time immemorial.

As elaborate ceremonies opened the 1980 yacht regatta in Tallinn, the dim outline of a Soviet warship could be seen in the mist guarding the sea border with Finland. To sail outside the Bay to Tallinn, yachtsmen need hard-to-to-get passports and other papers showing political trustworthiness.

Most parts of the republics are off limits to Westerners, except for the three capitals and some other resort and coast areas such as the splendid stretch of beach at Yurmala outside Riga, and the Estonian resorts of Kokhtla Yarve and Narva.

Tourists can drive from Tallinn to Leningrad, but may not stop overnight en route.

Westerners may visit Kaunus, the ancient capital of Lithuania, but again, not overnight.

Yet for all this close control, the spirit of Baltic identity lives on, in young and old alike, as it has done through centuries of attack and occupation by Teutons, Poles, Swedes, and Russians.

To take the train or plane northwest from Moscow is to leave behind much of the dirt and inefficiency that mark the nonmilitary Soviet Union proper, and to return to a cleaner, more European world, to cities more Germanic, more Western, to shop windows decorated with bright hangings and discreet metalwork, to clean and pleasant hotels.

In Riga, my family and I turned into a coffee shop-cum-snack bar, sat at a long counter, and ordered hot piroshki (meat buns) and chocolate eclairs. Rare is the chance to do such a thing even in Moscow, let alone other Soviet cities.

In Vilnius, colleagues and I ate pastries in a cheerful, crowded restaurant better than any we had seen in Moscow.

In Tallinn, the Hotel Viru was built by Finns. More impressive even than the floor show are the bathrooms, the best in the entire country.

On the surface, the three republics are alike: more and more urban; more women than men (after effects of purge and war); clean streets, tidy fields, and neat fences; the highest rates of car ownership, personal incomes, and worker productivity in the Soviet Union.

To many Russians, the Baltics are "the West"—oases of service and vacation quiet. They lie on the beaches at Yurmala or Narva, wander the streets of Kaunus or Vilnius, listen to the famous organ said to have been dedicated by Liszt himself in 1884 in Riga's Domski Sobor (Dom Cathedral—now a concert hall).

More and more Slavs settle in the Baltics, as Moscow has allocated more industry there and as Russians and Ukrainians have sought a higher standard of living. That immigration has slowed in the past decade, but only Roman Catholic Lithuania, with its high birthrate, has succeeded in keeping the

Slavic proportion of its population from rising.

In Latvia, however, Latvians seem about to be outnumbered.

The Latvian population in Latvia rose by only 2,000 between 1970 and 1979, while the Russian population went up by 116,000.

And the non-Latvian population is about to jump again: Work is about to begin on a new metro (underground railroad) in Riga, and local residents are being told 50,000 extra workers will be brought in from outside to construct it. Many of these will be Slavs. (Residents are also being told that all new apartments constructed in Riga for the next few years will be reserved for the new construction workers and their families—a fact that displeases a number of Rigans, who say their city is too small to need a metro anyway.)

By 1970 Russians outnumbered Latvians in Riga itself (by 42.7 percent to 40.9 percent), and the ratio is even more lopsided today.

Estonia is the smallest Soviet republic, smaller than Belgium, flat and stony, with 1,446,000 people at the most recent census, in January 1979. It prides itself on increasing productivity as a way of keeping Slavic immigrants at bay. Although the rate of Slavic migration has slowed down, Slavs themselves (Russians, Byelorussians, and Ukrainians) now make up almost one-third of the population (32 percent), against less than one-quarter (22.3 percent) in 1959.

"Estonians are surprising in their passion for independence," says a non-Estonian Balt. "It's all that television they watch from Finland, and their young people."

Several hundred university students in the town of Tartu, population 90,000, gathered on Christmas Eve 1979 for the annual tribute at the grave of a national hero, Julius Kuperjanov, who was killed fighting the Russians for independence in 1919. They lighted candles and made speeches, and about 40 marched downtown before being arrested.

Emigré sources in Stockholm reported in October that a thousand workers in a tractor factory in Tartu had staged a brief strike to protest unrealistic production targets and a lack of raw materials. It was said to have been inspired by worker protests in Poland. Mart Niklus is on a hunger strike in a Tallinn jail after resisting Soviet influence all his adult life. He lost his job as a language teacher in a Tartu night school after signing the Baltic appeal last year.

Yuri Kukk, an inorganic chemist, lost his university post in Tartu after signing several appeals against the Moscow Olympics and the Soviet invasion of Afghanistan. He had earlier resigned from the Communist Party after a membership of 12 years on returning from a year's study near Paris.

Today Mr. Kukk is in a psychiatric hospital in Moscow, where doctors are making their fifth attempt to prove him mentally unbalanced. The first four efforts only emphasized his sanity, friends report.

Again and again, conversation with Estonians turn back to 61 years ago, when Estonia won its first and only real independence from a Russia torn by war and winter and revolution. Soviet historians dismiss the 20 years that followed as an aberration, and the reunion with the Soviet motherland is painted as inevitable.

Lithuania is a different place, half again as big as Estonia, flat and filled with lakes. It was heir to the Livonian empire that in the 17th century stretched east to the Black Sea until the Russian czars pushed it back. Today it is about the size of Austria. It remains a nesting ground for storks flying from northern Europe to East Africa each winter. And it is still strongly Roman Catholic, impressed by seeing a Polish Pope on live television via Poland when John Paul II was installed in Rome.

"Lithuanians are emphatic, assertive," says a neighboring Balt. "I think it's largely their religion."

Troops had to be called out to subdue demonstrations in Vilnius in 1972. A Helsinki human-rights watchdog committee has operated, along with an underground church.

Southern Lithuania, occupied by Polish troops in 1920, became part of Poland in 1923, while the larger part of the country emerged into independence. In June 1940 Soviet troops marched in. After a German occupation, Lithuania became Soviet again in 1944.

Lithuania is more rural than its Baltic neighbors (39 percent of the people live in rural areas), and its birthrate is higher, as befits a Roman Catholic area.

Its population (3,399,000 as of January 1979) grew 8.7 percent more than in the preceding decade. Estonia grew by 8.1 percent and the Russian Federation (the biggest Slav republic) by only 6 percent.

The high birthrate enables Lithuanians to form 80 percent of their own republic's population, a much higher percentage than Estonians make up of Estonia (61 percent). Slavic inmigration has not affected the Lithuanian percentage for 20 years.

The trends are toward faster growth in the cities and continued Slavic settlers.

Party officials in Vilnius disparage religion and insist it is declining. In September 1980 the party newspaper Soviestkaya Litva made an unusual public attack on the Pope and accused the church of allying itself with "reactionary groupings." It criticized the Vatican Radio, thus indirectly confirming the radio's effectiveness and audience.

Latvia is about the same size as Lithuania, though its Lutheranism means a quieter form of independence and dissent, according to sources in Riga.

"For us the main thing is to survive," said one. "Ours is a passive resistance. We're trying to preserve our culture and our traditions. We suffer from the Russian presence: Our initiative is suppressed. The Russian standards of inefficiency and incompetence weigh on us. Our cities are not maintained. Shops are dirty. Service has declined."

Soviet officials scoff at such comments and insist that Soviet rule has brought the Baltics modern cities, greatly enhanced industry, and better living standards. They say they respect local cultures: Baltic sources say Soviet influence is inimical to their local ways.

Away from the Baltic shoreline, Latvia is largely forest. The Roman Catholic influence of Lithuania is much less in evidence: The reformation of the 16th century eliminated most of it.

Like its neighbors, Latvia was independent between 1922 and 1940, though it had had a right-wing dictatorship since 1934. It, too, was seized by the Soviets in 1940, taken by the Germans, and retaken by the Soviets at the end of the war.

Of concern to Latvian nationalists is the population trend: According to the census of 1979, only 53.7 percent of Latvia now consists of native Latvians, compared with 62 percent 20 years ago. Soon, Latvians may find themselves a minority in their own country, since their birthrate is low and Slavs keep on coming in slowly. Russians now make up 32.8 percent of the republic.

All Slavs, including Byelorussians, Ukrainians, and Poles, make up 43.5 percent.

"There's no hope for political independence," says one Western visitor to Riga, himself born in Latvia and now living abroad. "But when I write to my relatives asking if they want to emigrate, they say no—'We are the roots of our country,' they say."

He pauses. "The roots of their country. You can't argue with that."●

MARTIN LUTHER KING, JR.: A TRIBUTE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. FISH. Mr. Speaker, I would like to share with my colleagues the text of a speech I delivered to the Dr. Martin Luther King Commemorative Committee of Dutchess County in Poughkeepsie on January 15, 1981, in honor of what would have been Dr. King's 52d birthday were it not for his untimely and tragic death. The text of the speech follows:

"History," said Emerson, "is the shadow cast by great men." On another occasion he noted that, "great men are those who see that spiritual is stronger than any material force, that thoughts rule the world." So it was with the life of Dr. Martin Luther King, Jr.

By furthering the civil rights of American Blacks he contributed to the liberties of all Americans, whatever their race or creed. By strengthening the cause of justice in this Nation he inspired millions throughout the world in mankind's common aspirations.

Dr. King once said, "Nonviolence is the answer to the crucial political and moral question of our time . . . the need for man to overcome oppression and violence without resorting to oppression and violence." Dr. King believed this could be achieved through love, compassion and faith and, armed with such conviction, he preached spiritual power in his moral crusade for civil rights reform in the 1960s. And it was largely through his tireless efforts and the strength of his beliefs that Congress passed the Civil Rights Act of 1964. That same year, Dr. King received the Nobel Peace Prize that gave him a forum to address the world.

The passage of years since his tragic and untimely death has in no way lessened the impact of his teachings nor clouded his memory in our minds and hearts. His message of redemption and reconciliation—his belief in spiritual power—is no less meaningful today than when Martin Luther King, Jr. lived. His life's work and unremitting adherence to social change through nonviolence serves as a great example in these turbulent and troubling times. As Andrew Young recently observed: Dr. King's message, "endures, spanning the seas and calling out to each new generation."

Dr. King helped redeem our Nation. To honor him I have continuously supported legislation to declare January 15, his birthday, a legal public holiday. Such recognition of this great human being is the most fitting tribute a Nation can bestow on one of its most outstanding leaders.

Why a holiday some ask? Our answer is that his dream was the dream of an American, about his country; an affirmation of faith by a patriot.

Bestowing such an honor on Dr. King would transcend his status as a black civil rights leader. Such an act would recognize that Dr. King spoke as an American about the spiritual liberation of all people. He spoke of brotherhood, an end to poverty, of justice, of peace to you, yes, but also to me and to all mankind.●

POSTMORTEM: THE ELECTION AND THE ECONOMY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. McDONALD. Mr. Speaker, the pundits in the press and other self-appointed critics are already saying it is impossible for President-elect Reagan to balance the budget, cut taxes, and increase defense spending at the same time. Everyone agrees it will not be easy. Inflation is the No. 1 enemy that must be stopped and the first step in that direction is the creation of a balanced budget. Prof. Hans Sennholz has outlined the steps that need to be taken from that point to achieve the above goals. Obviously, they will be painful and many oxen will be gored in the process, but a return to a productive economy is desperately needed if this Nation is to remain the leader of the free world. Professor Sennholz tells us how in the December 1980 issue of Private Practice. I commend his article to the attention of my colleagues.

POSTMORTEM: THE ELECTION AND THE ECONOMY

Ronald Reagan will soon face the very issues that were burning during the long campaign: inflation, unemployment and foreign perils. To the many millions of Americans who elected him, he owes an obligation to face the issues with courage and dedication.

The causes of inflation, probably the greatest self-inflicted evil of our time, must be confronted courageously and diligently. The political pressures for federal deficit spending must be contained by stonewalling federal spending. In short, the federal budget must be balanced immediately.

To save the U.S. dollar from utter destruction and avert the frightful economic, social and political consequences of hyper-inflation, government spending must be brought under control. Surely, this is more easily said than done. Every president from F.D.R. to Jimmy Carter waxed eloquently about fiscal frugality and declared noisy wars on inflation while the U.S. dollar was shrinking at ever faster rates. And every president boosted federal spending for one reason or another, citing one full-employment doctrine or another.

If federal frugality provides the key to economic and social survival, how then can spending be cut in order to alleviate the inflationary pressures? Where should the cutting begin?

The U.S. budget can be balanced promptly and least painfully with the following cuts:

To set a shining example to the country he is leading, the President himself should take a salary cut of 50 percent.

The legislators who are the guardians of the public purse should lead the way to frugality by taking a cut of 25 percent.

All federal transfer spending, i.e., expenditures that benefit someone at the expense of someone else, must be cut by 5 percent.

This modest reduction in federal spending would bring immediate relief to our exhausted capital markets, which in turn would lower interest rates and the carrying charges of the federal debt. A mere drop of 3 percent would reduce the federal interest charges on more than $900 billion of debt by more than $27 billion. Altogether, these savings would suffice to restore fiscal solvency and integrity. They would give new life to the U.S. dollar and bring new hope to the people.

President Reagan will also face the burning issue of unemployment, which has been plaguing millions of Americans throughout many years of recession, economic stagnation and inflation. If he follows in the footsteps of his predecessors, the issue will continue to burn and get worse as the inflation is consuming productive capital and destroying jobs.

Unemployment is an economic cancer that not only causes poverty and despair, but also breeds immeasurable social and racial conflict. It must be a paramount concern to the new administration. But federal expenditures and make-work programs which have been tried again and again do not provide the answer. We do not need more "politics" as usual, but realistic labor policies that confront the real cause of unemployment—the maladjustment of price and cost. Both employment and unemployment are functions of labor costs. When individual employment costs exceed individual productivity and usefulness, the worker inflicts losses on his employer and therefore is likely to be unemployed. The federal minimum wage and legislated fringe costs, which together exceed $4 an hour and are scheduled to go higher, cause millions of unskilled workers, especially among our racial minorities, to be unemployed. This is why the federal minimum wage law must be repealed immediately. Moreover, all other federal acts and regulations that hamper the ready flow of labor in the national markets and encourage idleness must be rescinded without delay. There is full employment in freedom and unhampered labor markets.

The problems of unemployment are aggravated by the economic stagnation that has settled over the United States. The purchasing power incomes after taxes and inflation are actually eroding for most Americans. They are falling because countless government programs are promoting consumption at the expense of saving and investing. Many production facilities are worn out or antiquated because countless government programs are consuming our economic substance. With an insatiable appetite the taxing authorities are either inventing new taxes or raising old levies, consuming productive capital on an unprecedented scale. In short, our economy is in full retreat and in great danger of disintegration in a flurry of runaway inflation.

This ominous decline must be halted by an immediate reversal of policies. Business taxes must be lowered and regulatory costs be slashed. Surely, government need not promote saving and investing through special favors, but it must cease its ugly discrimination against capital accumulation. In particular, it must repeal the punitive and discriminatory tax rates on capital income and the steep progression on higher incomes that would otherwise be invested. The vicious estate tax which serves no purpose other than to destroy business capital in private hands must be rescinded immediately.

It must be emphasized that all such tax reductions to revive economic activity must not be allowed to engender new government deficits. A tax cut that is not matched by spending cuts is gross deception. It merely shifts some burden of government from favored taxpayers to lenders and inflation victims. Surely, tax relief for business tends to promote new business activity. But budgetary deficits for any reason not only exhaust the capital markets, but also feed the inflation. Both evils wreak havoc on business.

According to all expert reports, President Reagan faces unprecedented foreign perils that cast doubt on the future of the United States. During the 1960s and 1970s when our government was preoccupied with "redistribution" through massive spending on health, education and welfare, the Soviet Union built a superior ICBM force that is capable of smashing our weapons and rendering us defenseless. We are faced with a massive strategic preponderance by the Soviet Union.

The Soviets have at least 2,400 modern missiles aimed at U.S. defense installations. More than 326 of these missiles are SS-18s that carry 10 independently targeted warheads with a yield of about one megaton each. The United States has no missile force capable of disarming the Soviet Union. One thousand Minuteman IIs and IIIs spread in silos at a few Air Force bases have but slight chances against Soviet silos and military communications centers. They can best be used against population and industrial centers and "soft" military targets. Moreover, our Polaris-Poseidon fleet, consisting of 41 submarines carrying 16 missiles each with a yield of 40 kilotons, are useless for military targets. They are population-killing weapons designed to retaliate and revenge a nuclear attack. The Soviets, never wavering from the view that wars have winners and losers, built a nuclear force with disarming first-strike capabilities.

President Reagan will be severely tested in the coming years. He must frame a response to the Soviet threat, and avoid either succumbing to intimidation or blustering into war. If we want to survive a war as a free society, we must mend our defenses immediately. The hour is late and the dangers are growing. The coming years will be fraught with extreme dangers to our lives, fortunes and ways of life, dangers from which we can neither hide nor escape. To be close our eyes is foolish and suicidal. To be afraid is natural and wise, for he who has no fears gives advantage to the dangers. To the Reagan administration, our fears of danger must be a spur to avert it.●

THE REDONDO BEACH 10K RUN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. DORNAN of California. Mr. Speaker, on Sunday morning, January 25, the Redondo Beach Chamber of Commerce will again sponsor their annual Redondo Beach Super Bowl Sunday 10K Run through some of the most scenic portions of that beautiful coastal city. Although I will be unable to be present this year, I will certainly be thinking back to the excitement this annual event generated last year when I was on hand for the opening ceremonies.

This year marks the third running of what is now becoming one of the premiere long-distance runs in the Nation. Last year, over 10,000 people participated on the measured course, which was specially designed to enhance the enjoyment of the runners. The organizers have developed a controlled and uncongested finish area, allowing all runners to cross the finish line at full stride. This will also make it easier for all participants to get their precise times. Finally, a distinctive and unique T-shirt is awarded to all runners.

One might wonder why anyone would decide to hold a mass-presentation event on Super Bowl Sunday and expect that anyone would attend. When the organizers for the first run in 1979 sought a suitable date, Super Bowl Sunday was the only one available. And through a little entrepreneurship and a lot of healthy promotion, they have made it into one of the largest annual running events in the Nation in just 3 short years.

Actually, a 10K run on the morning of the Super Bowl isn't a bad idea. Since it begins long before the game, it gives runners a chance to go out and get some good, healthy exercise. So, on a day when many of us might be content to languish in front of the tube, we are provided with an opportunity to take part in an outstanding athletic event. At the conclusion of the Redondo Beach run, there will still be enough time to get home before the football action begins in New Orleans.

I would just like to take this opportunity to commend the great work of Race Director Hans Albrecht and committee members James D. Graham and Dennis R. McCarbe for their fine efforts in organizing this great event. I am sure this year's Redondo Beach run will, like last year's, prove successful. Perhaps the magic 30-minute mark will be broken. And to the runners—good luck. They are all winners for taking part.●

AFGHAN FREEDOM FIGHTERS DESERVE SUPPORT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. DERWINSKI. Mr. Speaker, I would like to insert an article by Human Events columnist, John D. Lofton, Jr., who is a penetrating observer of the international scene. In the January 3 edition of Human Events, Mr. Lofton provides an in-depth study of Soviet expansionism, and calls for the support of the Afghan Freedom Fighters, a concept to which I certainly subscribe.

The article follows:

AFGHAN FREEDOM FIGHTERS DESERVE SUPPORT

The photograph haunts.

Appearing in the December issue of Geo magazine, it shows an Afghan freedom fighter fingering his prayer beads and holding in his left hand a small hatchet. The caption reads:

"These guerrillas were waiting for darkness before attacking a government garrison. Incredibly, some of them had only axes or shovels for weapons. Their adversaries were equipped with tanks, artillery, machine guns—and plenty of ammunition."

In the Geo article—written by Klaus Imbeck, a veteran German reporter who recently traveled to Afghanistan—a 50-year-old freedom-fighter commander, Gawher Khan, holding an 80-year-old Lee-Enfield rifle says:

"You see, we are fighting with rifles like this, and the Russians come with weapons as though they had to fight against the United States."

Khan says with considerable pride that he owns a dozen such rifles and plans to present one of them to his youngest son, an 11-year-old, when he comes of age a year from now.

In Time magazine, Leonid Brezhnev's chief spokesman, Leonid Zamyatin, says that Soviet actions in Afghanistan are to "render assistance" to the Afghan government and are "purely defensive." He observes:

"These actions pursue one aim: protection of our friends anw the security of our southern frontiers. No more than that."

But Zamyatin lies. What the Soviets are doing in Afghanistan is naked aggression, a classic example of Russian imperialism on the march.

Here are some of the things that have happened in Afghanistan in recent weeks.

According to reliable diplomatic reports, Soviet and Afghan forces have used informants to round up so-called rebel sympathizers in a tiny village 40 miles from Kabul and killed 12 of these individuals by deliberately running over them with tanks. After these men were killed, their homes were stripped of belongings, including furniture and food, and their families were left to fend for themselves.

An Afghan official who recently defected says that Soviet occupation forces have systematically looted millions of dollars of uranium ore and precious gems from Afghanistan without any compensation. Abdul Latif Aurah, a former department head in the Afghan Ministry of Mines and Industry, says that Soviet "advisers" are drawing up development policies with the aim of exploiting Afghanistan's resources for the benefit of the Soviet Union. He notes: "For 20 years they have been carrying out surveys and they know exactly where the mineral wealth lies."

Soviet helicopters have dropped hundreds of thousands of small boobytrap explosive devices in mountainous eastern Afghanistan in an attempt to restrict the movement of the freedom fighters. Some of these deadly things are shaped like toy cameras and watches, while others look like butterflies. A senior surgeon at a hospital in Pakistan says: "We've seen a rise in wounds requiring leg and foot amputation and a number of these were due to boobytrap bombs."

A background brief on Afghanistan published by the British Information Services says: "With the approach of winter, a real danger exists of famine in the country. Disease may also spread due to a growing shortage of medicines. The French organization Medecine du Monde has reported a complete breakdown of medical care in some areas, with chicken pox, pneumonia, tuberculosis, poliomyelitis and leprosy becoming endemic. Warnings of famine have come from many observers."

A former University of Kabul professor who fled his country says that the Soviets and their puppet Afghan government have combined to eliminate most intellectuals in Afghanistan. Sayd Majrooh estimates that the number killed, imprisoned or forced to flee is around 50,000, adding: "The cream of our society has been wiped out."

Tens of thousands of Afghans have been killed and more than one million refugees have fled the country since the Soviets invaded and occupied Afghanistan more than 10 months ago. Reliable sources report that the position of the freedom fighters battling the Soviets is deteriorating rapidly and verges on the desperate.

The brutal Soviet rape of Afghanistan has virtually no support in the world. The U.N. General Assembly recently renewed its call for the immediate withdrawal of "foreign" troops from Afghanistan by a vote of 111 to 22, including an overwhelming majority of Third World countries who joined the West.

As one of the earliest acts of his presidency, Ronald Reagan should hold a joint public press conference with his new CIA director, and they should announce that the United States is going to supply the Afghan freedom fighters with whatever supplies they need to successfully resist their Soviet attackers.

Why not? The Soviets are already accusing the United States of doing this—so why not do it?●

JIMMY CARTER'S LEGACY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. BINGHAM. Mr. Speaker, in coming days historians and pundits will begin to assess the record Jimmy Carter compiled in 4 years in office. Already one such group allowed themselves to be quoted in the New York Times to the effect that Mr. Carter's only major achievement was his election. This is hogwash. President Carter will be remembered as a compassionate and decent President who had notable accomplishments in both the domestic and foreign policy arenas. In particular, the miracle at Camp David will rank with the very greatest Presidential achievements. But there is much more than that. Anthony Lewis, in the New York Times of January 11, assays the Carter record. I commend this piece to my colleagues.

[From the New York Times, Jan. 11, 1981]

THE KING MUST DIE

(By Anthony Lewis)

In "The King Must Die," the novel she built on Greek myths, Mary Renault told about the bloody political system of Naxos. Every year the ruling king of that island fought a stranger, and died. The stranger became king for a year and then lost his crown and his life. And the people celebrated.

Sometimes, these days, it seems as if the United States is following the model of mythical Naxos. We pile exaggerated hopes on our President and then, when inevitably he disappoints us, we destroy him.

But were there ever regrets on Naxos for the fallen king? Here, time does often bring a change of perspective: recognition that a once-scorned President brought good qualities to an impossible job. It happened to Harry Truman; it may be happening to Gerald Ford. And I think there will be rewards in history for the man now leaving office under the burden of rejection.

In Jimmy Carter's four years as President, no American soldier died in combat. That is a great achievement—a singular one in the last 50 years. It will look even more impressive if, as seems unhappily possible, the men around Ronald Reagan feel they must prove their toughness by military adventure.

Some people think it is easy for a President to avoid the use of arms; they charge Carter with being "soft." To the contrary, it requires will and courage for a President to say no to the advocates of force. President Kennedy, advised by his brother Robert, showed those qualities in the Cuban missile crisis in 1963. President Carter showed them in the Iran hostage crisis. His policy had flaws, but it was right and brave in putting the safety of the hostages first despite our frustration. Will Mr. Reagan similarly be able to resist the siren song of military retaliation?

The China policy of the Carter Administration is another achievement that may be in jeopardy, if the loose talk of Reagan and his people continues. Carter built on the Nixon breakthrough to cement a relationship with the People's Republic that is a crucial factor in international security.

The Panama Canal treaties were an act of courage that Presidents since Eisenhower, while recognizing the need, had lacked the political resolve to attempt. The treaties were part of a new policy moving the United States away from its old links with right-wing exploitation and oppression in Central America. Here again we may soon be nostalgic for Carter.

His greatest personal achievement was of course Camp David. We tend to take it for granted now, forgetting how extraordinary it was for an American President personally to shape such diplomatic instruments: not just the Camp David agreements but the treaty signed later, the first between Israel and an Arab neighbor. Without Jimmy Carter, both parties say, they could not have agreed.

There is also southern Africa, where Carter's support for British policy—against much pressure from the American right—made it possible to settle the savage war in Zimbabwe. With perseverance and some luck, there could be a settlement now in Namibia.

Finally, abroad, there was the Carter human rights policy. The critics say it was imperfect, and it was; no absolute symmetry is possible in such an area. But lives were saved, some torture stopped—and American idealism was represented in the world.

At home, history will probably rate his environmental record as Carter's most important accomplishment. He appointed sensible, sensitive administrators. Our children will be grateful for his legacy of cleaner, less dangerous surroundings, and for much natural beauty preserved—that is, unless the plunderers now have their way.

Carter's judicial appointments are also likely to be an impressive legacy. He never got to name anyone to the Supreme Court, but he picked 265 other Federal judges, most of them highly regarded in the legal profession and a significant number, for the first time, of women and members of minorities.

In energy, Carter did what five predecessors had been unable or unwilling to do: broke away from the distorting practice of holding American prices way below world levels. It was an essential step for both economic and security reasons, and one taken against the received liberal wisdom.

Carter also broke with outmoded liberal ideas to begin deregulation of airlines, trucks, banking.

But the domestic achievement that many will value in Jimmy Carter was a symbolic one: being elected President as a Southerner who rejected racism. That really brought the South back into the Union.

There were faults, deep ones. But Jimmy Carter is entitled to a moment of respect. I shall remember him on Labor Day last in Tuscumbia, Ala., when members of the Ku Klux Klan interrupted his first appearance of the election campaign. He said:

"As the first man from the Deep South in 140 years to be President of this nation, I say that these people in white sheets do not understand our region and what it's been through. . . . They do not understand what our country stands for. . . ."●

LIST OF KEY VOTES OF CONGRESSMAN DON J. PEASE, 96TH CONGRESS, 2D SESSION

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. PEASE. Mr. Speaker, it has become my practice to periodically list in the CONGRESSIONAL RECORD the key votes I have cast in the U.S. House of Representatives.

This list of my key votes is arranged as follows: Each item begins with the rollcall number of the vote, followed by the number of the bill or resolution, and a description of the question on which the vote was taken. This is followed by my own vote on the issue, either Y for yes, N for no, or NV for not voting. Finally, the vote of the entire House of Representatives is indicated by passed or failed followed by the yea-nay vote totals.

The list printed here includes key votes taken between June 5, 1980, and December 5, 1980.

301. H.R. 7428. Oil Import Fee/Debt Limit. Passage, over the president's June 5 veto, of the bill to extend through June 30 1980, the existing debt limit of $879 billion and to disapprove the $4.62 fee per barrel of imported oil that President Carter imposed effective March 15. June 5. Y, passed 335-34.

308. S. 562. Nuclear Regulatory Commission. Adoption of the conference report to authorize $426.8 million for FY80 and stiffen penalties for safety violations at nuclear reactor sites. June 10. Y, adopted 386-9.

315. H.R. 5200. Fair Housing Act Amendments. Passage of the bill to give the federal government new authority to enforce housing discrimination laws and to include handicapped persons within coverage of the fair housing laws, June 12. Y, passed 310-95.

321. H. Con. Res. 307. FY81 Budget Targets. Motion to approve the revised conference version of the resolution to revise binding FY80 budget totals and set FY81 budget targets as follows: for FY80—$658.9 billion in budget authority, $572.7 billion in outlays, $525.7 billion in revenues and a $47 billion deficit; for FY81—$697.2 billion in budget authority, $613.6 billion in outlays, $613.8 billion in revenues and a surplus of $200 million. June 12. Y agreed to 205-195.

326. H.R. 6413. National Aeronautics and Space Administration. Amendment to reduce FY81 funds for aeronautical research by $23.5 million in order to eliminate funding for research on advanced supersonic transport aircraft. June 13. Y, rejected 90-225.

339. H.R. 7542. FY80 Supplemental Appropriations. Amendment to rescind $100 million previously appropriated for the purchase of furniture by federal agencies, and to increase FY80 supplemental appropriations by $42,860,000 for the Agriculture Department's Food for Peace Program. June 17. Y, adopted 346-47.

342. H.R. 7542. FY80 Supplemental Appropriations. Amendment to delete from the bill $58 million in Army Corps of Engineers FY80 construction funds for the Tennessee-Tombigbee Waterway Project. June 18. Y, rejected 185-230.

344. H.R. 7542. FY80 Supplemental Appropriations. Amendment to provide the president with an additional $100 million for resettlement assistance for immigrants and refugees other than Cubans found by the Immigration and Naturalization Service to be convicted felons or prostitutes. June 19. Y, adopted 210-188.

346. S. 2698. Small Business Administration. Adoption of the conference report on the bill to authorize $1.2 billion in FY81 and $1.4 billion in FY82, FY83 and FY84 for Small Business Administration programs. June 19. Y, adopted (thus cleared for the president) 210-193.

350. H.R. 6418. Trucking Deregulation. Passage of the bill to substantially curtail federal regulation of the trucking industry, increase competition in the industry and allow individual trucking firms greater ability to change rates. June 19. Y, passed 367-13.

360. H.R. 3567. Soft Drink Bottlers' Antitrust Immunity. Motion to suspend the rules and pass a bill to insulate from antitrust challenge certain exclusive licenses

owned by soft drink bottlers. June 24. N, agreed to 377-34.

361. H.R. 77018. Pesticides Authorization. Motion to suspend the rules and pass the bill to authorize $77.5 million in FY81 to continue programs of the Federal Insecticide, Fungicide and Rodenticide Act and to provide for a two-house congressional veto of Environmental Protection Agency pesticides regulations. June 24. Y, agreed to 392-22.

362. H.R. 7590. Energy and Water Development Appropriations, FY81. Amendment to increase FY81 funding for energy supply, research and development by $107 million. June 24. Y, adopted 254-151.

363. H.J. Res. 521. Draft Registration Funding. Motion to adopt the Senate-passed version (containing a minor amendment deleting $10,000 from the bill for technical reasons) of President Carter's $13.3 million plan to register 19- and 20-year-old men for a possible military draft. June 25. N, agreed to (thus cleared for the president) 284-168.

364. H.R. 7590. Energy and Water Development Appropriations, FY81. Amendment to reduce by $200 million FY81 funding for the Tennessee-Tombigbee Waterway. June 25. Y, rejected 196-216.

365. H.R. 7590. Energy and Water Development Appropriations, FY81. Amendment to delete $2.1 million in FY81 funding for the O'Neill irrigation unit in Nebraska. June 25. Y, rejected 202-211.

368. H.R. 7590. Energy and Water Development Appropriations, FY81. Passage of the bill to appropriate in FY81 $11.71 billion for the Department of Energy, the Army Corps of Engineers, the Bureau of Reclamation and other agencies, June 25. Y, passed 334-87.

372. S. 932. Synthetic Fuels/Defense Production Act. Adoption of the conference report on the bill to authorize $20 billion for alcohol fuels and urban waste and $3 billion for a solar energy and conservation bank to provide subsidized loans; and to extend authorization of the Defense Production Act through September 30, 1986. June 26. Y, adopted 317-93.

379. S. 1308. Energy Mobilization Board. Motion to recommit to the House-Senate conference committee the conference report (thus killing the conference report) on the bill to provide for establishment of an Energy Mobilization Board to cut red tape and waive certain laws for priority energy projects. June 27. Y, agreed to 232-131.

381. H.R. 7592. Military Construction Appropriations, FY81. Passage of the bill to appropriate $4,801,119,000 for military construction projects of the Department of Defense in FY81. June 27. Y, passed 308-19.

387. H.R. 7321. National Tourism Policy. Motion to suspend the rules and pass the bill to establish a national tourism policy, a Cabinet-level coordinating council and a board to develop marketing and implementing plans and to promote foreign travel in the United States. July 1. N, agreed to 347-55.

390. H.R. 7584. State, Justice, Commerce, Judiciary Appropriations, FY81. Amendment, to the amendment, to add $22.37 million to the Immigration and Naturalization Service appropriation for 311 border patrol positions and 91 inspectors. July 1. Y, adopted 337-72.

397. H.R. 7542. FY80 Supplemental Appropriations. Motion to concur in the Senate foreign aid amendment with an amendment to reduce appropriations by $554 million and provide funds for the Export-Import Bank, aid to Nicaragua and other programs. July 2. Y, passed 212-178.

402. H.R. 7511. Veteran's Disability Compensation and Survival Benefits. Motion to suspend the rules and pass the bill to provide a 13% cost-of-living increase in the rates of disability compensation for disabled veterans and to raise the rates of dependency and indemnity compensation for survivors of disabled veterans. July 21. Y, passed 383-1.

404. H. Con. Res. 351. Social Security Taxation. Motion to suspend the rules and adopt the resolution stating the sense of Congress that Social Security benefits should remain exempt from federal taxation. July 21. Y, passed 384-1.

406. H.R. 7593. Legislative Branch Appropriations, FY81. Amendment to delete from the bill $210,000 intended to reimburse House members for travel to and from Washington, D.C., in the first session of the 97th Congress. July 21. Y, passed 217-159.

430. H.R. 7631. HUD & Independent Agencies Appropriation, FY81. Amendment to cut $542,000 from the National Commission on Air Quality. July 25. N, rejected 176-184.

434. H.R. 658. Bankruptcy Law Amendments. Motion to suspend the rules and pass the bill to prohibit persons who receive student loans from discharging those loans in bankruptcy proceedings. July 28, Y, rejected 205-178.

454. H.R. 7583. Treasury, Postal Service, General Government Appropriations, FY81. Amendment to prohibit the use of appropriated funds by the Internal Revenue Service for the study or implementation of a proposed withholding tax on interest and dividends. August 19. Y, passed 401-4.

466. H.R. 7583. Treasury, Postal Service, General Government Appropriations, FY81. Amendment to prevent any funds appropriated by the bill to pay for abortions or the administrative expenses of any plan under the Federal Employees Health Benefit Program that provides coverage for abortions. August 20. N, adopted 228-170.

483. H.R. 7299. Mental Health Systems. Passage of the bill to extend and expand community mental health services programs, state mental health programs and mental illness prevention programs, and to authorize for those programs a total of $78 million for FY81, $152 million for FY82, $177.5 million for FY83. August 22. Y, passed 277-15.

484. H.R. 6308. Fusion Energy Research. Motion to suspend the rules and pass the bill to authorize $435 million for accelerated development of fusion energy. August 25. Y, motion agreed to 365-7.

489. H.R. 6974. Defense Authorization. Adoption of the conference report on the bill to authorize $52.8 billion in FY81 for Defense Department weapons procurement, research, and development, testing and evaluation, and to authorize the manpower strengths of the military services. August 26. Y, adopted 360-49.

494. H.R. 6711. Youth Jobs and Education. Passage of the bill to revise and extend existing youth jobs programs, and to establish a new program of aid for the teaching of basic educational skills in junior and senior high schools with high proportions of low-income students. August 26. Y, passed 337-51.

499. H.R. 7998. Labor-HHS-Education Appropriations, FY81. Amendment to exempt businesses with 10 or fewer employees in industries with good safety records from certain OSHA safety regulations. August 27. N, adopted 225-178.

502. H.R. 7998. Labor-HHS-Education Appropriations, FY81. Passage of the bill to appropriate $84.55 billion for the Departments of Labor, Education, and Health and Human Resources. August 27. Y, passed 320-83.

516. H.R. 7765. Budget Reconciliation. Amendment to restore provisions of existing law providing semiannual cost-of-living adjustments (COLA) in benefits to federal military and civilian retirees. September 4. N, passed 309-72.

519. H.R. 7765. Budget Reconciliation. Passage of the bill, as required under the first budget resolution for FY81, to reduce 1981 outlays by $5.3 billion, and increase revenues by $3.9 billion. September 4. Y, passed 294-91.

534. H.R. 235. Rail Deregulation. Passage of the bill to substantially ease federal regulation of the railroad industry. September 9. Y, passed 337-20.

546. H.R. 8015. Defense Department Appropriations, FY81. Amendment to prohibit use of funds for production of binary chemical munitions. September 16. Y, rejected 125-276.

548. H.R. 8015. Defense Department Appropriations, FY81. Amendment to repeal law that prohibits the Defense Department from paying the premium price on procurement contracts in order to award the contracts to firms located in areas of high unemployment. Y, adopted 220-179.

549. H.R. 8105. Defense Department Appropriations, FY81. Passage of bill to appropriate $157.2 billion for Defense Department programs in FY81. Y, passed 351-42.

560. H. Con. Res. 367. India Nuclear Fuel. Adoption of the resolution disapproving the shipment to India by the United States of enriched nuclear fuel. September 18. Y, adopted 298-98.

571. H.R. 85. Oil and Chemical Spill Liability. Passage of the bill to set up two $375 million funds to clean up oil and chemical spills into navigable waterways, and to compensate victims of such spills for certain damages. September 19. Y, passed 288-11.

579. H.R. 7020. Hazardous Waste Disposal. Passage of the bill to set up a $1.2 billion "superfund" to clean up abandoned hazardous waste dump sites. September 23. Y, passed 351-23.

581. H.R. 7590. Energy/Water Development Appropriations, FY81. Motion to agree to a Senate amendment to authorize a $284 million flood control project in the Tug Fork River valley along the Kentucky-West Virginia border. September 24. N, motion agreed to 230-164.

586. H.R. 6777. Council on Wage and Price Stability. Passage of the bill to extend the Council on Wage and Price Stability through September 30, 1981, and to authorize $6.9 million in appropriations for the council. September 24. Y, passed 229-165.

601. H.R. 8146. Unemployment Compensation. Passage of the bill to extend federal financial support for state unemployment benefit programs. September 30. Y, passed 336-71.

618. H.R. 2977. Domestic Violence. Adoption of the conference report on the bill to provide federal funds to states to set up shelters for victims of domestic violence. October 1. Y, passed 276-117.

622. H. Res. 794. Michael Myers Expulsion. Adoption of the resolution to expel Representative Michael Myers from the House of Representatives. October 2. Y, passed 376-30.

640. H. Con. Res. 448. Second Budget Resolution, Fiscal 1981. Resolution to set binding budget levels for fiscal year ending Sept. 30, 1981, as follows: budget authority, $689.5

billion; outlays, $631.75 billion; revenues, $606.7 billion; and deficit, $25.05 billion. Y, adopted 203-191.

643. H.R. 6704. Juvenile Justice. Amendment to allow juvenile court judges to jail certain youthful offenders who violated valid court orders regulating their behavior. Nov. 19. Y, adopted 239-123.

654. H.J. Res. 598. Auto Import Limitation. Motion to suspend rules and pass bill to give the President authority, for three years, to negotiate auto import restrictions with foreign countries. Dec. 2. Y, agreed to 317-57.

662. H.R. 8378. Nuclear Waste Policy Act. To permit states to veto federally selected nuclear waste sites within their borders unless both Houses of Congress voted to override the veto. Dec. 3. N, rejected 161-218.

669. H.R. 7591. Agriculture Appropriations, Fiscal 1981. To appropriate $21,696,661,000 in fiscal 1981 for the Agriculture Department and related agencies. Dec. 4. Y, adopted 325-25.

675. H.R. 8379. Motor Vehicle Safety. Motion to suspend the rules and pass the bill to authorize appropriations for the National Highway Traffic Safety Administration, delay implementation of federal automobile passive restraint standards by one year and make those standards first applicable to smaller cars. Dec. 5. Y, motion rejected 205-126.●

AFTER TITO, A STRUGGLE—PART I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. McDONALD. Mr. Speaker, when President Tito died in Yugoslavia on May 4, 1980, there was a lot of hypocritical emotion expressed by many heads of state, in fact they appeared to wallow in it to paraphrase Hilaire du Berrier, who publishes a foreign affairs newsletter entitled: "H. du B. Reports." As he further stated in his May 1980 issue: "Perhaps now is an appropriate time to tell how Yugoslav reds killed more Yugoslavs than the Germans that a Communist might replace their King." Therefore, I wish to place his report on Tito in the CONGRESSIONAL RECORD at this point to correct some of the false impressions created over the years about this man. The material follows:

AFTER TITO, A STRUGGLE

MUCH OF THE TITO STORY WILL NEVER BE KNOWN

The official version is that Josep Broz Tito was born in the village of Kumrovec, near the border of Slovenia and Croatia, on May 7, 1892, of a Croatian drunkard father and a Slovakian peasant mother. Among the aliases he used in his climb upward as a revolutionary were Kostanjek, Tomanek and Walter. As a student he was a failure and after an apprenticeship with a locksmith he became a metal worker, more interested in labor agitation than job advancement. In 1913 he was drafted into the Austro-Hungarian Army and 1914 found him in the attack on Serbia, following the assassination of the Archduke Franz-Ferdinand of Sarajevo. A year later he was captured by the Russians and sent to the Siberian camp which was to be his communist university. 1917 found him in the thick of the insurrection in Saint Petersburg. When the illegal, Russian-directed communist party was set up in Vienna, Comrade Broz returned to Croatia to organize its Yugoslav arm, and the papers he signed during that period bore the initials T.I.T.O, for Tajna Internacionalna Terroristica Organizacija. Thus the name Tito was born. The organization was dissolved in 1921 after an attempt to assassinate the regent, who was to become King Alexander and die in Marseilles in 1934. Tito was working in shipyards and organizing labor cells when he was arrested on April 4, 1928, and sentenced to five years in Lepoglava prison where he was to later lock up his former friends.

When he got out of prison Tito went to Russia for advanced training in the Ecole Superieure of the communist party and emerged as agent No. 135 in the European branch of the Komintern. For a time, in 1935, he was teaching in Russia before being assigned a mission to Austria under the name of Ivan Velchik, with a job as a traveling salesman as a cover. August 1936 found him in Paris passing Yugoslav and Bulgarian volunteers on to the Civil War in Spain. By then his name was Tomanek and he was a Czechoslovakian engineer with letter drops in rue La Fayette, rue de Chabrol and Avenue Mathurin-Moreau. Among the future red leaders with him at the time were Clement Gottwald, the German, Palmiro Togliatti, Luigi Longo and Pietri Nenni, the Italians. In 1937 Stalin called him back to Moscow to help in the bloody purges of four former secretary-generals of the Yugoslav Communist Party and 150 Yugoslav party officials who had taken shelter in Russia. That accomplished, the way was clear for Tito to become head of the Yugoslav Communist Party under the name of Walter.

With the signing of the Russo-German pact on August 23, 1939, Hitler's wehrmacht needed communist help in staving off the Serbian nationalists and Stalin sent Tito home with explicit orders to co-operate with the Germans. There was nothing rebellious about Tito then. From April 1940 onward he condemned the imperialistic British and French attacks on Germany. And when the Germans invaded Yugoslavia in April 1941, Tito still did not lift a hand. Instead, he killed 280,000 of his fellow Croatians and from his HQ in Zagreb continued to work with the Italian High Command, denouncing the "chauvinistic Yugoslavs who wanted to oppose their Axis friends." Until the German invasion of Russia in June 1941, Hitler had no more faithful ally than Tito. Then orders came from Stalin to fight, but Tito was told to talk only of national liberation. The western camp had to be wooed back and "proletarian revolution" was not to be mentioned. By the end of June, 1941, the Germans had surrounded Serbia and driven 12,000 communists into the former Turkish Sandjac and Bosnia where General Draza Mihailovich had been uncontested ruler since the previous spring. Everywhere Mihailovich was acclaimed as a hero, the man who refused to surrender and abandoned his useless tanks to fight in the Ujidce and Cacak hills. Tito hid in Belgrade for a time, in the home of Yvan Ribar, the former minister, but in late July he appealed to Mihailovich and pretended to rally to the resistance. What Mihailovich did not know was that since June 22 Tito had been setting up a Communist General Staff which would cover Croatia, Bosnia and Montenegro and follow Moscow's orders, while Mihailovich was following London's.

December 1, 1941, was a big day in the Yugoslav camp. It was the anniversary of the 1918 proclamation of Yugoslav unity and as they celebrated it, Mihailovich's "chetniks" (members of his band) stacked their arms. At a given signal, Tito's partisans rushed for the chetniks' arms and tried to wipe them out. After a short fight the chetniks regained control and prevented Tito from taking over the Sandjac of Montenegro. From that moment Mihailovich was fighting against both the communists and the Germans.

A short time later two mysterious Russians appeared at Tito's HQ. One of them, Feodor Mahin, had passed for a white Russian in Yugolavia and published the anticommunist paper, "Ruskis Bornik," which King Alexander had financed. But in 1940 Mahin established contact with the Soviet embassy in Belgrade and began working openly with the Germans. With him, when he joined Tito, was another former Czarist officer named Wladimir Lebedev, who had passed as a white Russian journalist on the Belgrade daily, "Politika." Lebedev was a cultured man with dark glasses and a heavy beard which covered two-thirds of his face. His manners were aristocratic and he professed to be a monarchist, but as soon as the Russians re-established their embassy in Belgrade he was appointed press attaché and Tass correspondent on the Greek-Italian front. After the Germans invaded Yugoslavia on April 6, 1941, he disappeared and was not seen until a year later when he presented himself at Tito's camp near Foca. It was a period of complete confusion with Serbs fighting Croats, chetniks fighting Tito's partisans and all four being harassed by the Germans. Scattered groups of partisans straggling back to their hide-out noticed that a change had come over Tito. Gone was the sloppily-dressed man without polish or culture. The leader of the Partisans took to wearing a smart uniform, he seemed slightly larger than before and his hair was lighter. His Croatian accent had disappeared and he spoke like a Russian. Stranger still, he had five fingers on his left hand, while the Tito they had known had lost one in an accident.

One of the first to notice this was Tito's personal guard, Micha Popovich, who in 1943 carried his suspicions to Mihailovich. Two Montenegran students observed that their chief spoke several languages, that he had developed a passion for uniforms and decorations and lost his rude, peasant metal-worker manners. A few days later they were executed. Some did not dare to talk about it and others did not want to, but a rumor began circulating that while the confused fighting of April 1942 was going on the old Josep Broz with nine fingers had disappeared or been liquidated and Lebedev, minus beard and dark glasses, had taken his place. Captain Hudson, of the British Army, later recalled that he had landed on a Montenegran beach about ten miles south of the village of Budua on the night of October 25, 1941, accompanied by Colonel Zacharie Ostojich of the Royal Yugoslav Army. On their way northward to a rendezvous with Mihailovich, they were intercepted by Peko Dajcevic, Tito's commander in Montenegro. Dajcevic immediately reported to Tito and arranged for the British officer to meet him in late January 1942. Captain Hudson never forgot Tito's admission that he dared not cooperate too closely with the British, after the liquidation of four Yugoslav communist leaders who had made that mistake. It was a few days after the meeting with Captain Hudson that Lebedev appeared at Tito's HQ as an emissary from Moscow. Stalin was taking no chances that his man and the Britisher might make an arrangement between them. About a month later the change appeared to take place and the battle between the partisans and Mihailovich's chetniks for the conquest of Yugoslavia took precedence over the war against the Germans.

THE DISHONEST ACCOUNT GIVEN THE WORLD

A broadcasting station within Russia began flooding the air with stories of the victories of Tito's partisans and the West took them up. So successful was the campaign to smear Mihailovich, R. Harris Smith perpetuated the anti-Mihailovich theme in his shockingly slanted book: "OSS—The Secret History of America's First Central Intelligence Agency." Smith wrote: "Shortly after the German invasion and subjugation of Yugoslavia in April 1941, the allied propaganda services began to manufacture a legend, a heroic tale of a bearded and bespectacled colonel named Draza Mihailovich, Chief of staff of a Yugoslav army unit at the time of his country's capitulation, he had refused to surrender. Taking to the hills in the wake of the Nazi victory, he formed a guerrilla army against the invaders." Smith, the CIA leftist who quit Langley to lecture in the university at Berkeley, California, sneered at reports of Mihailovich's lone battle for his country and King.●

THE DOMESTIC AND INTERNATIONAL HUNGER FOUNDATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. GILMAN. Mr. Speaker, today I am introducing legislation to establish the Domestic and International Hunger Foundation. I first introduced this measure toward the close of the 96th Congress in an effort to stimulate discussion and comment about this proposal. Response from numerous individuals and organizations working to resolve the critical problem of global hunger and undernutrition was very favorable and I am hopeful that this legislation will receive early consideration by the 97th Congress.

This proposed organization is to be charged with the task of better informing the American people about the causes of and possible solutions to a problem which has a critical bearing on both our determination to fulfill our commitment to the humanitarian principles upon which our Nation was founded and our desire to insure our national security in the decades ahead. That problem is the scourge of hunger and undernutrition which plagues hundreds of millions of people throughout the world.

THE PROBLEM OF HUNGER AND THE WORK OF THE PRESIDENTIAL COMMISSION ON WORLD HUNGER

In my work as a member of The Presidential Commission on World Hunger, established by the President's Executive order of September 5, 1978, in response to a congressional resolution, my worst fears about the enormity of the problem and the immense suffering it brings to innocent children and adults were quickly confirmed. The consensus of those serving on the Commission, men and women who have devoted much of their professional and personal lives to seeking solutions to the hunger problem, was summed up as follows in the Commission's final report issued in March 1980:

> Of all the challenges facing the world today, agreement by the nations of the world on the actions required of all countries to eliminate hunger may be most important, and may also provide the most promising basis for other international actions to assure world peace. By placing the elimination of hunger high on its national agenda, the United States will demonstrate a major commitment to undertaking one of the most important tasks facing mankind.

In its comprehensive report establishing poverty as the principal cause of hunger and undernutrition, the Commission established that hunger has many inter-related causes tied into numerous political, economic, and social problems. While explaining that a major crisis of global food supply—of even more serious dimensions than the present energy crisis—appears likely within the next 20 years, unless steps are taken now to facilitate a significant increase in food production in the developing nations, the Commission underscored its finding that increased food production will not occur, however, without a market and will not benefit hungry people unless they acquire the purchasing power to enter the market. Solutions to ending hunger and undernutrition, thus lay in great measure with efforts to assure more equitable access to food and the resources to produce food through the generation of employment and income.

As the Roman philosopher Seneca proclaimed some 2,000 years earlier: "A hungry people listens not to reason, nor cares for justice, nor is bent by prayers." I doubt that any of us could expect a people whose mothers and fathers are plagued by hunger, seeing their children famished and stunted by malnutrition, to act otherwise.

The Commission found that the United States should be concerned about hunger because of moral obligation and responsibility and out of concern for national security. Traditional appeals to end hunger based on humanitarian concern are probably more familiar than the Commission's finding that promoting economic development in general, and overcoming hunger in particular, are tasks far more critical to the U.S. national security than most policymakers acknowledge or even believe. However, at a time when 750 million to 1 billion people suffer the physically and mentally debilitating effects of chronic undernutrition, hunger unquestionably becomes fused to the security concerns of our Nation and the entire international community because the deprivation experienced by the poor and hungry and those among them who can harness the indignation borne of being without the means to purchase or grow one's needed food, portends an explosive instability which will intensify during the next several decades. I might add that while our Commission was completing its report, the Independent Commission on International Development Issues, chaired by Willy Brandt, former Chancellor of the Federal Republic of Germany, concluded its own study which attached a similarly high priority to ending the world hunger problem.

The Commission noted also, in its findings about hunger and malnutrition in the United States that:

> While progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain segments of the population of the United States, notably among native Americans, migrant workers, and the elderly remain vulnerable to malnutrition and related diseases.

THE NEED FOR PUBLIC EDUCATION

In addition to compiling a report identifying the causes of hunger and malnutrition, assessing past and present national programs and policies that affect hunger and malnutrition, and recommending to the President and Congress specific actions to create a national food and hunger policy, the Commission was charged by its mandate with undertaking a second phase of operations; helping to implement its recommendations and to focus attention on food and hunger issues through various public education activities.

The Commission's public education activities reached out to a broad cross-section of the American public including individuals, private voluntary organizations, the academic community, religious groups, consumer and labor organizations, and the private corporate sector. Numerous Commission publications were distributed, public hearings held, teaching materials developed, and efforts undertaken to involve constituency groups in learning about the causes and nature of and the possible solution to hunger.

Two public opinion polls conducted for the Hunger Commission demonstrated that the American people show strong public support for maintaining and even increasing U.S. assistance to the world's hungry. These public opinion surveys indicate, however, that there is a need to educate the American public about the complexities of hunger, the scale of the problem, and the realities of U.S. involvement because hunger seldom captures widespread public attention except in times of crisis or dire emergency.

At the Commission's final meeting, June 16, 1980, widespread agreement emerged that the Commission's public education campaign, while significant, had fallen short of the Commission's expectations. Strong support was demonstrated for followup public education activities, including the Commission's recommendation that Congress authorize funds to establish an organization to educate and inform the American public about world hunger.

The Commissioners noted that although the Commission would soon terminate, the problem of hunger was still very real, very critical. And while the Commission's public education activities revealed a concerned citizenry, the Commission could not, with the time and resources it was allotted, disseminate on a wide enough basis its findings and the reasons for its urgent appeal for action against hunger.

THE DOMESTIC AND INTERNATIONAL HUNGER FOUNDATION

Mr. Speaker, consultations with those serving on the Presidential Commission and with others who have worked long and hard on the problem of hunger and malnutrition has convinced me that we must continue our efforts to inform the American people about hunger and the serious implications it has for our Nation.

To achieve this objective, I propose the establishment of the Domestic and International Hunger Foundation. The Foundation's major functions would include: One, conducting, sponsoring, and otherwise supporting conferences, seminars, and workshops on matters pertaining to world hunger; two, developing reference materials dealing with world hunger which would be appropriate for elementary, secondary, and college level study; three, providing assistance for research and studies on the world hunger problem and the public perception of this problem; four, maintaining a speaker's bureau of individuals to discuss issues relating to world hunger; five, monitoring the implementation of the recommendations of the Presidential Commission on World Hunger; six, publishing and otherwise disseminating the results of hunger related research, studies, or investigations; seven, participating in the international exchange of learned publications and materials on hunger and retaining copies of such publications and materials for public access and review; eight, conducting symposia for interested individuals and representatives or organizations in order to explore means by which joint initiatives to alleviate world hunger could be undertaken; and nine, maintaining for public access an inventory of country and community requests for assistance in developing and implementing development assistance projects.

The Foundation's Board of Directors would be appointed by the President, by and with the advice and consent of the Senate. An Advisory Board of individuals representing a broad spectrum of public concerns relating to hunger would be selected to assist the Foundation in its activities. A modest budget would be authorized for the Foundation; a budget representing our Nation's first real commitment to informing the American people about the many dimensions of a problem which has and will continue to have a significant impact upon the lives of all our citizens * * * in this decade and in future decades.

Accordingly, Mr. Speaker, I urge my colleagues to support this legislation which I submit on behalf of all Americans committed to ending the hunger and undernutrition that claims the lives and productive potential of hundreds of millions of our fellow citizens throughout our Nation and throughout the world.

Mr. Speaker, I request that the complete text of this legislation be inserted at this point in the RECORD:

H.R. 870

A BILL TO ESTABLISH THE DOMESTIC AND INTERNATIONAL HUNGER FOUNDATION

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Domestic and International Hunger Foundation Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) hunger and chronic undernutrition remain daily facts of life for hundreds of millions of people throughout the world;

(2) while progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain segments of the population of the United States, notably among native Americans, migrant workers, and the elderly, remain vulnerable to malnutrition and related diseases;

(3) it is imperative that our Nation's policies be consistent with the right of every person in this country and elsewhere to a nutritionally adequate diet as outlined in the Right-to-Food Resolution of 1976;

(4) as the world's largest producer, consumer, and trader of food, the United States has a key role and responsibility in any effort to combat world hunger, and no significant progress is likely to be made without the active and wholehearted participation of the United States in efforts to assist nations and people to improve their capability to feed themselves;

(5) the world hunger problem is far more critical to the national security of the United States than most policymakers acknowledge or believe;

(6) a major global food supply crisis of even greater dimensions than the present energy crisis appears likely to occur within the next twenty years unless steps are taken to facilitate a significant increase in food production and to restructure the means by which food and the resources and technology needed to produce food are distributed;

(7) efforts to meet the rising global demand for food must take into consideration the limited nature of such resources as land, water, and energy, and the possible adverse effects which certain methods utilized to increase food production may have upon these resources;

(8) while world hunger has many interrelated causes, the central and most intransigent cause is poverty;

(9) gains in productivity must not be mistaken for nor subordinated to the goal of assuring more equitable access to food and the resources to produce food through the generation of employment and income;

(10) surveys indicate that the American people strongly support maintaining and even increasing efforts of the United States to eliminate world hunger; however, because hunger seldom captures widespread public attention except in times of catastrophe or dire emergency, it is necessary to further educate the American public about the complexity and scale of the world hunger problem, and the reasons why even greater United States involvement is required; and

(11) present efforts to increase public awareness of the world hunger problem and hunger-related issues fall far short of what is required.

ESTABLISHMENT

SEC. 3. (a) There is established a corporation to be known as the Domestic and International Hunger Foundation (hereinafter in this Act referred to as the "Foundation").

(b) The Foundation shall establish its principal office in the District of Columbia.

FUNCTIONS

SEC. 4. In order to alleviate the problems of world hunger and malnutrition, the Foundation shall—

(1) inform the American public about the causes of and possible solutions to such problems by—

(A) conducting, sponsoring, and otherwise supporting conferences, seminars, and workshops on matters pertaining to world hunger;

(B) developing and, upon request, providing reference materials dealing with world hunger which would be appropriate for use at the elementary school, secondary school, and college levels;

(C) providing assistance for research and studies on the world hunger problem and the public perception of this problem; and

(D) maintaining a speakers bureau of individuals to discuss issues relating to world hunger;

(2) monitor the implementation of the recommendations of the Presidential Commission on World Hunger, made in accordance with Executive Order 12078 (dated September 5, 1978);

(3) publish and otherwise disseminate the results of hunger-related research, studies, or investigations deemed appropriate by the Foundation;

(4) participate in the international exchange of learned publications and materials on hunger, and retain, if appropriate, copies of such publications and materials for public access and review;

(5) conduct symposia for interested individuals and representatives of organizations in order to explore means by which joint initiatives to alleviate world hunger could be undertaken; and

(6) maintain for public access a list of humanitarian organizations, governments of developing countries, and States or local units of government in the United States, requesting financial or other assistance in hunger or development assistance projects.

POWERS

SEC. 5. The Foundation—

(1) shall have perpetual succession unless dissolved by an Act of Congress;

(2) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) may sue and be sued, complain, and defend, in its corporate name in any court of competent jurisdiction;

(4) may make and perform such contracts and other arrangements as may be necessary for carrying out the functions of the Foundation;

(5) shall prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid;

(6) may employ and fix the compensation of not to exceed 70 persons at any one time;

(7) may lease, purchase, or otherwise acquire, own, hold, improve, use, dispose of, and otherwise deal in and with such real or personal property or interest therein as may be necessary for carrying out its functions;

(8) may accept money, property, and services of any kind by gift, devise, bequest, grant, or otherwise;

(9) may use the United States mails in the same manner and on the same conditions as the executive departments of the Federal Government;

(10) may, with the consent of any agency of the United States, use the information, services, facilities, and personnel of that agency in carrying out its functions;

(11) may procure the services of experts or organizations thereof in accordance with section 3109 of title 5, United States Code; and

(12) shall have such other powers as may be necessary or incident to carrying out its functions.

BOARD OF DIRECTORS

Sec. 6. (a) The management of the Foundation shall be vested in a board of directors (hereinafter in this Act referred to as the "Board"), which shall direct the exercise of all powers of the Foundation.

(b)(1) The Board shall be composed of seven members who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) One member of the Board shall be designated by the President to serve as Chairperson of the Board and another member of the Board shall be designated by the President to serve as Vice Chairperson of the Board. Each person designated as Chairperson or Vice Chairperson shall be so designated for the term of such person's appointment to the Board.

(3) Except as provided in paragraphs (4) and (5), and members of the Board shall be appointed for seven-year terms.

(4) Of the members first appointed to the Board—

(A) the member designated as Chairperson shall be appointed for a seven-year term,

(B) the member designated as Vice Chairperson shall be appointed for a six-year term,

(C) one member shall be appointed for a five-year term,

(D) one member shall be appointed for a four-year term,

(E) one member shall be appointed for a three-year term,

(F) one member shall be appointed for a two-year term, and

(G) one member shall be appointed for a one-year term.

(5) A vacancy on the Board shall be filled in the manner in which the original appointment was made. Any member appointed to fill a vacancy occurring before the expiration of the term for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of such member's term until a successor to such member has taken office.

(c) The Board shall meet at any time pursuant to the call of the Chairperson or as may otherwise be provided by the bylaws of the Foundation. A majority of the Board shall constitute a quorum, and no action may be taken by the Board except by majority vote of all members of the Board. The Board shall adopt, and may from time to time amend, such bylaws as are necessary for the proper management and functioning of the Foundation.

(d) Members of the Board shall receive no compensation for their services as members of the Board, but may be reimbursed for actual and necessary expenses not exceeding $100 per day, and for transportation expenses, while engaged in their duties on behalf of the Foundation.

(e)(1) The Chairperson—

(A) shall be the chief executive officer of the Foundation, and

(B) shall not engage in any other business, vocation, or employment during that person's period of service with the Foundation.

(2) The chief executive officer of the Foundation shall receive compensation at a rate not to exceed that payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

ADVISORY COMMITTEE

SEC. 7. (a) There is established an advisory committee to the Board for the purpose of advising the Foundation with regard to the objectives and activities of the Foundation.

(b)(1) The advisory committee shall be composed of twenty members as follows:

(A) the Secretary of State, the Secretary of Agriculture, and the Director of the International Development Cooperation Agency;

(B) two members appointed from the House of Representatives by the Speaker of the House of Representatives;

(C) two members appointed from the Senate by the President pro tempore of the Senate; and

(D) thirteen individuals appointed by the President from academic institutions, religious organizations, labor groups, consumer interest groups, and the private corporate sector, with at least one individual to be appointed from each of those groups.

(2)(A) Individuals appointed under paragraph (1)(D) shall be appointed for four-year terms.

(B) Members of the House of Representatives and Senators appointed under paragraph (1) shall be appointed to serve until the Congress succeeding the Congress from which such Member or Senator was appointed first assembles.

(C) The provisions of section 6(b)(5) shall apply with respect to members of the advisory committee.

(c) The advisory committee shall meet with the Board upon the request of the Board, but not less than semiannually.

(d) The Board shall, after consultation with the advisory committee, provide the advisory committee with such professional, secretarial, and other services as the Board deems necessary for the advisory committee to carry out its functions under this Act.

(e) Members of the advisory committee shall receive no compensation for their services as members of the advisory committee, but shall be entitled to reimbursement in accordance with section 5703 of title 5, United States Code, for travel and other expenses incurred by them in the performance of their functions under this Act.

NONPROFIT CORPORATION; CONFLICT OF INTERESTS

SEC. 8. The Foundation shall be a nonprofit corporation and shall have no capital stock. No part of of its revenue, earnings, or other income or property shall inure to the benefit of its directors, officers, or employees, and such revenue, earnings, or other income or property shall be used for the carrying out of the functions of the Foundation. No director, officer, or employee of the Foundation shall in any manner directly or indirectly participate in the deliberation upon or the determination of any question affecting such individual's personal interests or the interests of any corporation, partnership, or organization in which such individual is directly or indirectly interested.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are authorized to be appropriated to carry out this Act—

(1) not to exceed $1,500,000 for the fiscal year ending September 30, 1982;

(2) not to exceed $3,500,000 for the fiscal year ending September 30, 1983;

(3) not to exceed $5,000,000 for the fiscal year ending September 30, 1984;

(4) such sums as may be necessary for each fiscal year thereafter.

REPORTS

SEC. 10. The Foundation shall transmit to the Congress each year a report on its activities in carrying out this Act during the preceding year.

GOVERNMENT CORPORATION CONTROL ACT

SEC. 11. The Foundation shall be subject to the provisions of the Government Corporation Control Act (31 U.S.C. 841 and following) relating to wholly owned Government corporations.●

GREEN INTRODUCES GUN CONTROL LEGISLATION

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. GREEN. Mr. Speaker, in the last few months we have witnessed the tragic deaths by shooting of outstanding Americans like Allard Lowenstein, Michael Halberstam, and John Lennon. Death due to the uncontrolled use of handguns is not a new phenomenon; in the past we have witnessed the deaths of John F. Kennedy and Martin Luther King, Jr., whose birthday we honored yesterday. These deaths and those of the 9,000 people killed by handguns annually—whose deaths are less well known but equally as devastating—are the reason I am introducing today the Personal Safety and Firearms Act of 1981.

This bill calls for the registration and licensing of handguns as well as harsher penalties for those who kill so needlessly. My commitment to a sensible legislative answer to this problem is indicated by the fact that this is the first bill I have introduced in this Congress.

It is hard to ignore the statistics that surround the "handgun war." Someone is murdered with a handgun every 50 minutes. A 1979 report of the Surgeon General indicated that firearms are second only to automobiles as a source of fatalities in the United States. Seventy-two percent of the law enforcement officers killed in 1979 were slain with handguns. No legislation can guarantee an end to crime; however, my legislation will make it more difficult for criminals to kill and also will help police in their investigations.

The first section of my bill calls for the registration of all handguns currently in circulation and of those yet to be sold. This registration would be a prerequisite to the purchase of ammunition; carrying an unregistered handgun would be a criminal offense. These controls should not only help those who have access to weapons but also aid in the location of criminals once offenses have been committed.

The second part of my bill calls for the licensing of handgun users. This system already exists in many States; my bill would clarify that no dealer or private individual could sell either handguns or ammunition to someone without a license with the individual's name, address, and photograph. All applicants would be thoroughly investigated as to their suitability for carrying a gun. The system would provide for local or Federal law enforcement authorities to conduct background investigations of applicants to locate felons, fugitives, or other criminals. Violation of either the licensing or registration provisions would subject the offender to up to 5 year imprisonment and/or $5,000 in fines.

Mr. ANDERSON of California, who has introduced a bill this session addressing crimes committed with guns, deserves credit for one provision of my bill which calls for an additional jail term of 5 years to be added to the jail sentence of anyone committing a felony with a firearm.

Last, my bill would remove from the marketplace any handgun which does not meet specified safety criteria in an effort to eliminate the so-called Saturday night specials.

There has been much debate the last few years as to whether "guns kill people" or whether "people kill people." I think my legislation addresses itself to both issues by assuring that those guns that are to be used will go only to those who can use them wisely.●

LIBERALS, UNDER THE CIRCUMSTANCES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. MILLER of California. Mr. Speaker, we are all aware of the recent discussions about conservative mandates and repudiations of liberal policies. But in a recent article in the Washington Post, Harvard Prof. John Kenneth Galbraith suggests that these convenient political labels are no longer as well suited to describing the origins or impact of public policies as in the past.

Government policies, and consequently congressional actions, according to Professor Galbraith, are less the product of rigid ideology than acquiescence to political facts of life. Intrusion by Government means not only picky regulatory details but, for example, lavish subsidized benefits which the recently released Department of Agriculture study revealed are enjoyed overwhelmingly by the biggest and richest farmers in the United States. Where does Government assistance end and intrusion begin? What is the conservative or liberal view? These are the questions which Professor Galbraith challenges us to answer, and I would like to share his views with my colleagues.

The article follows:

LIBERALS, UNDER THE CIRCUMSTANCES

In these past weeks when my fellow liberals have gathered for companionate discussion and support, the topic has everywhere been the same: is Ronald Reagan really as conservative as billed; surely some streaks of liberalism will eventually show through; there must be some hope somewhere. I've been an uneasy participant in these symposiums; in the past, when liberals have won elections, I've wanted them to stay that way. I was sorry when Jimmy Carter's economists turned out to be conservatives and, as I've previously noted on these pages, considering what they accomplished in combining recession and inflation with the Election Day, so must Carter have been as well. Ronald Reagan and his people won the election. On foreign policy, like nearly all citizens, I want them to keep the worriers on leash, consider consequences, keep the peace. But on domestic policy they have won the right to their hopes.

I do, however, have another line of thought for my co-religionists that could even be of some service, however unwanted, to Reagan's people as well. It is that much of what has been called liberalism in the last half century has been merely an accommodation to historical change—to circumstance.

In the government of the United States, the role of ideology is greatly overemphasized, that of binding circumstance greatly undervalued. Vanity is involved; scholars, pundits, public officials and politicians all wish to believe themselves the arbiters of a wide area of decision. It allows them—us—to feel important. In practice, the scope for decision is very narrow; it's the result of relentlessly constricting change. This, on the whole, is more painful for conservatives than liberals. Liberals, if sometimes reluctantly, make a virtue of adjustment; conservatives have a moral commitment to the past. That is why they are conservatives.

The force of circumstance is evident everywhere one looks—once one learns to look for it. Regulation comes first to mind—the classic liberal hang-up. Airplanes are a metaphor. When many are in the air, someone must regulate their movement; one cannot have them flying into National Airport, or even Dulles, at random. Regulation of air traffic was the invention, not of liberals, but of the Wright brothers. The regulation of nuclear power is similarly compelled by technical change and by that mass of radioactive water in the containment vessel at Three Mile Island; that of chemical wastes by chemistry and past carelessness, including at the Love Canal. In southern California, automobiles pollute the air to the intense dissatisfaction of some of the most conservative people in all the republic. It's the absence of natural ventilation along with the cars, not the Los Angeles liberals, that brings controls on emissions and on the release of industrial gases and particulates.

The just-mentioned Californians live cheek-by-jowl, or nearly so, with impeccably conservative farmers, who are supplied with irrigation water by a benevolent federal government, and near to others who would like yet more water. It was God, not the liberals, who made the West both fertile and dry, and an impersonal process of history that gave the idea of development such power.

Government intrusion upon agriculture is, in many respects, the greatest triumph of history and circumstance over ideology. The market for agricultural products is diffused among many sellers and numerous buyers. On no industry will Adam Smith, on the return that numerous of Reagan's economists are hoping to arrange, look with such satisfaction. (Smith, a much-forgotten point, did not approve of corporations—joint-stock companies as they were called in his day.) But farmers have always excoriated the down-side tendencies of the free market, a deeply characteristic feature of the free market. And they really need price and income protection for the large investment that modern, high-technology farming now requires. So, in the United States, as in all the other industrial countries, farm support prices are in effect and accepted. Prices can still rise, but, below a certain substantial level, they cannot fall. It would be hard to imagine a more egregious intrusion on the conservative commitment to the free market.

Yet there stand the farmers with their costly equipment, and also the very great productivity gains that have accrued to a partially guaranteed return. The new head of the Senate Committee on Agriculture and Forestry, Sen. Jesse Helms, is a man of more than adequately conservative temper. But will farmers be returned to the free market? One all but yearns to see the effort. In fact, much time will be spent looking into the use of food stamps.

Aid to urban areas, usually thought a uniquely liberal initiative, is also an accommodation to change. As the American federal system is arranged, economic growth and population movement give the federal government the revenues, the big cities the costs. Life in dense urban mass, we now know, is a very costly thing. Additionally, when the poor were scattered over the rural South and Puerto Rico, they could be allowed to starve or vegetate in a quiet way. Now that they are in the cities, it is no longer quite so easy to ignore them.

Social Security, unemployment compensation, aid to dependent children and medical assistance to the poor and the old were also liberal initiatives. And in any truly stern conservative view, all are socially enfeebling. But they, too, were an accommodation to historical change. In an earlier rural society, the old and the sick were wards of the family; unemployment was not a problem. Industrialization brought these protective measures in all industrial countries. Only a very severe conservative wishes to repeal the factory system.

Most disconcerting of all, socialism in its modern form is an accommodation to circumstance. Corporations have become very big. When they fail, the shock effect is very great. Too great. So, in Britain, France, Italy and now in the United States, there is a rapidly growing public sector consisting of firms that have taken refuge in the government. Chrysler, Amtrak, Conrail, anytime now some western railroads, maybe Ford—all are a part of a broad trend in what is still called the capitalist world. This socialism, however semantically disguised, is at the behest not of liberals but of conservatives. They lead the delegations down to Washington. It is, perhaps, the most bizarre triumph of circumstance over ideology.

There will be another such triumph in the months ahead involving monetary policy. The new administration is committed to a stronger use of this policy, and if it increases defense spending, cannot much reduce other expenditure, cuts taxes and eschews wage and price controls, there isn't anything else. For years now liberals and conservatives have been debating monetary policy in a symmetrically vacuous way as though it were an ideological issue. It's conservative to rely on it, liberal to oppose. The issue has little or nothing to do with ideology; the issue is, and simply, whether monetary policy works. if you control the money supply—and if you can control it—does all else fall into place?

In fact, all liberal bias apart, it doesn't work; corporations, trade unions, farmers and OPEC have intervened to make what might have served in the 19th century, albeit with some painful depressions, irrelevant now. And this is being affirmed by the increasingly instructive experience of Britain and by the way a more limited reliance on monetary policy is combining unemployment with inflation here at home. Again, the harsh rule of circumstance.

What has been called liberalism in the past has, in fact, been a kind of adaptive pragmatism, a phrase many of my fellow liberals find a trifle objectionable. And much of what has been called conservatism combines hope with a romantic resistance to the achieved fact of historical change. All this, if I may venture a forecast, the days ahead will attest.

THE INTERSTATE BANKING SHOOT-OUT—EASTERN GUNS RIDE WEST

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

• Mr. LEACH of Iowa. Mr. Speaker, as president of a small town Iowa bank in the 1880's, my great-grandfather was shot in the arm by a bandit in a classic western-style bank robbery.

A posse of concerned citizens was quickly formed and chased Adel's only known bank robber 7 miles down country roads and across newly plowed fields before cornering him in a barn. Showing little instinct for modern-day criminal rights, the posse set fire to the barn and riddled the fugitive as he fled from its fiery hayloft.

The bank robber's body was then strapped to a horse and the posse returned triumphantly to town where the sheriff determined that the public interest would be best served by tying the body to a flagpole on the town square. A rather ghoulish warning was taped across the dead man's bullet-punctured chest: "This is what happens to bank robbers who come to Adel."

Today, small town bankers have reason to be as fearful that their vaults will be cleaned out by large out-of-State financial institutions as my great-grandfather was a century ago that his would be by an aspiring Jesse James.

Large money-center banks have long been calling on Congress to revise the banking laws to allow them to disregard State boundaries and set up shop nationwide. Their financial guns are aimed at banks in States like Iowa and in January in a report to Congress they received a substantial boost from the outgoing Carter administration. As one of its final acts before leaving office, the Carter White House urged that current restrictions on single State banking be liberalized.

Historically, Americans have been wary of concentrating banking authority in the hands of a few, and this concern has been reflected in statutes at the State and Federal levels. The McFadden Act of 1927 prohibits banks in one State from establishing banking operations in another State and the Douglas amendment to the Bank Holding Company Act of 1956 prohibits multibank holding companies from acquiring banks in other States unless the host State specifically permits such transactions. In addition, many States—the most important exception being California—limit in one way or another intra-State banking. Under current law, for example, no Iowa bank can maintain more than four branch offices and no bank holding company can control more than 8 percent of the total deposits in the State.

The major effect of banking laws now on the books has been to minimize the possibility of a few large banks coming to monopolize the capital markets of the country. However, some economists argue, and the Carter administration apparently agreed, that a lessening of restrictions on interstate banking would foster competition and therefore, allow the banking industry to serve the public more efficiently.

In theory there is some merit to this logic. But in practice individual States which have liberalized banking laws within their borders have found that bank expansion has come largely through acquisition and merger, rather than through the establishment of new institutions. Instead of promoting competition, State laws authorizing wide-scale branch banking have simply had a capital concentrating effect. Iowa for example, has one-eighth the population of California but more than twice as many banks. Practical experience would seem to fly in the face of the abstract economic theory that the absence of restrictions is always procompetitive.

Competitive is not the only issue at stake in considering changes in banking legislation. What would happen to interest rates? The prime rate, the fluctuations of which have been heralded so poignantly in recent months, represents the cost of borrowing money in the Nation's major financial centers. The prime in rural States like Iowa is substantially lower than that in money center areas. The changes in the Nation's banking laws advocated by the Carter administration and others would almost certainly cause a flattening of this difference, lowering the prime in New York City while raising it in Des Moines. It is doubtful that this would serve to strengthen the credit-intensive, agriculture-based economy of the Midwest.

Another question raised by the proposed liberalization of the banking laws relates to the availability of funds. Although conjectural, many believe interstate banking would result in concentration in the banking industry and that this in turn would give an unfair advantage to large corporate borrowers at the expense of small businesses and farmers. Whether concentration in banking benefits big business most or not, it is doubtful that the community concerns and know-how reflected on the boards of Iowa's 658 banks could be better reflected on the boards of banks 1,000 miles from the State. If interstate banking were authorized, it could very well be that a few out-of-State bank boards would ultimately come to have the final say on what percentage of American private sector resources would be dedicated to specific parts of the national and international economy.

The fundamental irony in the prospect of big banks getting bigger is that large banks control more resources than smaller banks but are undercapitalized by comparison. The average Iowa bank has a capital base of 8 percent of its total deposits, whereas the largest banks in the country, such as Bank of America in California and Citibank in New York, have a capital base of approximately 2 percent of deposits. In addition, many believe it is the larger banks which have the more dubious loan portfolios. Agricultural loans that have farmland as security are simply more secure than some of the Third World and urban real estate debt carried by the large international banks.

The principle of interstate banking would seem, therefore, not only to create the prospect for concentration in an industry which by tradition Americans have preferred to be decentralized, but carries profound implications for the safety and soundness of the banking system itself. If the foreign loan portfolio of the large international banks proves as fragile as some economists contend it might, interstate banking could cause the international liabilities of America's largest banks to be passed on to domestic customers. Through interest rate premiums, Iowa farmers could be forced to bail out profligate international bankers. Walter Wriston could be the Jesse James of the 20th century, holding up rural banks to subsidize foreign loan losses.

Finally, it should be stressed that if banking becomes a centralized industry in America there inevitably will be carrot and stick efforts by the Federal Government to intercede and affect lending decisions. Decisions impacting on industries the Government wants aided or restrained can be pushed with relative ease on a concentrated banking system. On the other hand, decentralization has protected banks on the whole from overly coercive actions of Government.

I am convinced Congress would be well advised to scrutinize carefully the Carter administration proposal before tinkering with a State banking system which is functioning rather well today. Current restrictions on interstate banking may be exasperating to the larger banks. But keeping these restrictions in place could prove to be better public policy than the creation of a banking system where concentration becomes the norm. The problems of a decentralized industry are trivial compared to those of centralized power, especially where banking is concerned.●

COMMENT ON AMERICAN ECONOMY

HON. STANLEY N. LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. LUNDINE. Mr. Speaker, despite the serious concern—throughout this Congress and throughout the country—about the current state of the American economy, there is still a great deal of confusion over what we can do to improve the situation. Clearly, no one has the complete solution. But, I believe a sensible starting point is offered in an article by Howard J. Samuels which recently appeared in the Washington Post.

Mr. Samuels traces much of our current difficulty to a "misdiagnosis" of the problem. On the whole, he points out, we are not suffering from an overheated economy, where too much money is driving up the cost of too few goods. Therefore, our troubles are not susceptible to what has so far been primarily a monetarist solution. If we are going to curb inflation we must undertake a broad and coordinated program aimed at reducing the cost-push process.

I might quibble with Mr. Samuels on a couple of points. For example, whereas Mr. Samuels views wages as the main force "driving our inflation," I would qualify the statement by noting that other costs—such as those for equipment, energy, and raw materials—have gone up as well and that wage increases over the last 2 years have not kept up with inflation. And, when Mr. Samuels urges a tax cut for the average worker who has been hit most by inflation, I would go a step further and suggest a rollback in the payroll tax as the vehicle for such a reduction, since it would serve the added purpose of lowering labor costs.

These, however, are minor matters. In its basic outline, I believe Mr. Samuels' article is a clear and persuasive economic prescription which deserves consideration in the Congress and which fits our current economic picture a good deal better than the rash of expensive and poorly targeted tax cuts which currently enjoy favor under the exotic rubric of "supply-side economics." I commend this article to my colleagues' attention.

[From the Washington Post, Jan. 2, 1981]

... AND WHAT THE REPUBLICANS SHOULD REJECT

(By Howard J. Samuels)

Weary of inflation, crushing interest rates and slow growth, the American people elected Ronald Reagan in hope of constructive solutions. But as we near his inauguration, there is good reason to fear that the Reagan administration could be locking itself into policies that will bring only more of the same—or worse.

Surrounded by apostles of laissez-faire monetarist economics, Reagan seems poised to unleash a repeat in the United States of the policies now under way in Margaret Thatcher's Britain. There, a mix of tight money, tax cuts for business and the investing classes, and a hands-off approach to wages and prices has resulted in a long-running recession, mounting social tension and scant evidence of any increase in business investment or production. Before his advisers take their ideological scalpels to the American body politic, we should reexamine the monetarist diagnosis of our stagflation problems.

Reagan's economists generally argue that we must deal with a demand-related inflation caused by government deficits, too-rapid growth in the money supply and easy credit. To curb this excess demand, Reagan is committed to maintaining the tight-money, high-interest policies of the Federal Reserve Board until they "wring out" the cash and liquidity that causes inflation. Meanwhile, in the private sector, Reagan's ideology calls for letting companies set whatever prices will clear the market while unions demand whatever wage increases their bargaining power allows. But what if the cause of inflation is not rising demand fueled by excess money? And with unemployment verging on 8 percent, and less than 80 percent of U.S. plant capacity being used, what grounds are there for arguing that demand is pulling inflation up?

What is driving our inflation isn't demand—it is cost, and mainly the cost of wages running steadily above any gains in U.S. productivity. While the most optimistic projections of productivity increases are less than 2 percent in 1981, we are facing another round of labor settlements that could run upward of 12 percent. It is painful for a Democrat to bring this lesson home to a Republican president-elect: the gap between wage raises and productivity gains in our basic inflation rate.

Other costs too, particularly OPEC's energy price boosts, contributed to inflationary psychology in the 1970s. But the rise in unit labor costs has been fundamental and there is nothing in the new administration's policies that even begins to address the problem. Instead, the monetarists' proposed remedies of tight money and high interest rates, as Lee Iacocca would be only too happy to explain, promise to discourage capital investment, slow growth, increase unemployment and ultimately raise the federal deficit. Thus, a policy designed to curb a demand-related inflation will actually exacerbate the cost-related inflation we are suffering from. High interest simply adds another category of cost to the economy's burdens.

Nor is there much chance of breaking inflationary psychology by just the "supply-side" solution of lowering taxes to business and investors. We have already lowered taxes to these sectors substantially in recent years. Thatcher's Tories in Britain have too. But generous tax breaks to business alone will not stimulate investment—especially in an economy with so much slack. What has to be accomplished to make supply-side policies work is the creation of an environment in which businesses can look forward to profitable sales, increased demand and a genuine break in the drive of unions along an endless—and futile—game of "catch-up" with inflation.

For Reagan, that means thinking about the unthinkable: a major effort to involve labor and business in a new social compact coordinated by an activist government. As it stands, the tax cuts and tight-money policies that the incoming administration proposes are grossly biased toward the well-to-do. Labor will respond to them by struggling for the largest wage increases it can muscle, and the spiral of inflation will run on. What we must seek is a true accord between labor and management comparable to that achieved in Japan. There, in contrast to Britain, a spirit of understanding and mutual interest across the bargaining tables has led to low inflation, high investment, minimal unemployment and the most striking growth of any major economy in the world. Inflation, in short, is a social and political problem that cannot be solved by monetarist tinkering or a package of business tax breaks.

If we are going to endure a period of austerity, we must find a more equitable program. That means one of sacrifices for all—not simply "incentives" to business and investors. Here are a few parameters of a program that would have a chance of working:

Limit wage increases. Much as he may prefer dodging this politically volatile issue, Reagan must come to realize that labor will continue to reach for the largest settlements possible. Insofar as these settlements surpass the rise in productivity, they form the base of our inflation. They can only be halted by Reagan's working with labor to develop a program on wage restraint, preferably by consensus, but, if need be, by law. Arbitrarily, let us say that the ceiling we shoot for is 5 percent annually for three years. At best, this might limit the base rate of inflation to 3-4 percent. We must have an incomes policy.

Focus tax breaks on workers. Since any wage-restraint program would require substantial sacrifice by labor—and provide advantages for all businesses—there must be compensation from government. Since there is a limit to total tax reductions, I would argue that we should target a major portion of our tax breaks to individuals who earn less than, say $20,000—in recognition of the sacrifices the program asks of them. This, together with some flexibility for wage increases, would enable labor to keep within hailing distance of inflation.

Raise corporate taxes while increasing investment breaks. The nation cannot return to an aggressive approach to economic growth unless we reduce inflation. As a matter of justice, sacrifice from the business community is an essential concomitant to any restraint to the wage front by labor. There is little disagreement that we must stimulate investment and technology. They are essential to economic growth. There is also a basic understanding that we must stimulate and motivate entrepreneurialism and long-term investment strategies. We have, in the past decade, substantially reduced corporate and capital gains taxes. The nation must realize that there is just a limited amount the federal budget can absorb. If the federal government is to offer additional tax incentives, it is essential that businesses pay part of the price of reducing inflation and encouraging the supply side of our economy. Therefore, we must raise corporate taxes at the same time we offer the supply-side incentives. Thus, businesses that don't reinvest will pay part of the price of our new economic thrust.

This, I argue, is rough and negotiable, but as the minimum program to snap inflationary expectations and, at the same time, encouraging investment, it would require balanced sacrifice by labor and business. It would reward productive investment, especially in manufacturing. And, unlike the nouveau-monetarist program that Reagan appears bent on, it acknowledges the wage spiral as inflation's deepest root.

It is ever so much easier to pretend that technical manipulation of monetary and tax policies will stall inflation and lead to a new wave of productive investment. Those policies not only misdiagnose inflation, but also represent a political cop-out. If we really want to stop inflation, the working people of this country have to be involved and have to be asked for sacrifices. They are simply not going to cooperate with any program that lavishes handouts to business while simultaneously squeezing interest rates so high that their children can't afford to buy a home.●

THE MYTH OF AFRICAN INDEPENDENCE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. McDONALD. Mr. Speaker, since World War II, we have been watching the Western-induced winds of change blow over Africa. What have these winds of change produced? The theory is that they produced democracy, one man-one vote and prosperity. The grim reality is that they have produced a series of dictatorships, some Soviet controlled, labor camps, and misery. Food production has gone down, human rights violations have gone up, and chaos reigns supreme. The last stupid act of this policy is being played out now in South Africa and in particular Southwest Africa. There is still time to reverse this disastrous course of action. In a recent article by Dr. Christiaan Barnard, the famous South African heart surgeon, that appeared in Leaders magazine for January-March 1981, he outlines the problems of Africa and why Western policy is so wrong. It is an article worth reading and I commend it to the attention of my colleagues.

[From the Leaders magazine, January-March 1981]

THE MYTH OF AFRICAN INDEPENDENCE

(By Prof. Christiaan Barnard)

Following the installation of an internationally acceptable Black government in Zimbabwe, the human rights activists are zeroing in with a new vigour on South Africa, which they regard, with its appendage of Namibia/South West Africa, as the last redoubt of white rule and colonialism in Africa. The demand is becoming more insistent for radical change in South Africa, for the elimination forthwith of all forms of racial discrimination and, ultimately, for the introduction of one man, one vote—or, put another way, for the transfer of political power from white to black.

Where in Africa are the people better off because of one man, one vote? The answer, quite simply, is that the ordinary men and women—and children—of Africa are no better off since they have had one man, one vote elections (usually once only) than they were when they had no vote at all. In many, many cases, their quality of life is worse than it was before they had elections.

LOOK AT THE FACTS!

The Economic Commission for Africa, which is a United Nations organ, established that 14 African countries had achieved no growth at all since their independence in the 1960s and, indeed, that in most cases the standard of living was lower than before independence. Another UN body, the Food and Agriculture Organization, found that the per capita food production in Africa had declined by an average of 1.3 percent per annum. Africa features prominently in the United Nations list of "Most Seriously Affected Countries." Indeed, it is a myth that African countries are independent: In the last 20 years or so, they have become more dependent on the colonialists and imperialists—through billions of dollars in development aid from the West as well as their trade and other economic ties to the former mother countries. As far as maintenance of their power structures by weaponry, they have become dependent on their Communist masters in the case of countries such as Ethiopia and Angola. This picture of retrogression is to be found throughout most of Africa. In Mozambique, agricultural and industrial production has plummeted by 70 percent in the five brief years of independence.

This is a very tragic story of what one man, one vote has meant to Africa. And I have not even touched on the even more tragic record of Africa on human rights: The upwards of 1,500 people who, Amnesty International estimates, are in indefinite detention without trial in Tanzania; the uncounted thousands who were butchered to death in Equatorial Guinea; the 1.3 million refugees in Somalia who are victims of man's inhumanity to man; the statutory torture and murder machine established in Idi Amin's Uganda. . . .

Cold statistics such as these are frightening, often horrific. Is it possible, one wonders, for a Washingtonian or a Londoner or a Parisian or a Berliner to comprehend just what life is like in a one man, one vote African democracy?

THE VIEW FROM THE BLACK SIDE

Let me quote you a few remarks made by the black man in some of the independent African countries I have visited:

"The biggest disaster that ever struck our country was independence. From that time onwards, we have only gone backwards."

"The only change that independence brought about is that the white bosses have been replaced by the black bosses."

"Since independence there is the possibility to get to the top if you have the money to buy your position."

The treatment of the ordinary man in the street by their new black bosses is clearly illustrated by the story of Maria, aged 65, after she escaped from a rehabilitation camp in Mozambique: "We were treated like animals. We lived in tiny huts, which reeked of feces. There were insects, rats and flies everywhere. * * * the hunger. In the evenings, all the guards gave us was a small portion of maize or sorghum. The women were so hungry that they ate green grasshoppers and beetles. And almost all of them fell ill with fever, dysentery, malaria or jaundice. By day, we had to do hard labour: Clear the bush with hoes and axes, work in the maize and cotton fields, repair roads and drains. We were not allowed to wear any clothes from the waist up. The white and Indian women, especially, felt ashamed. The Frelimo guards amused themselves by fondling them. Inside the barbed wire at night, the camp became a brothel. Whenever they felt like it, the guards grabbed a woman and raped her. Often, a whole troop would run through the camp looking for attractive women, mostly young ones."

SOUTH AFRICA'S REAL FEAR

It is the fear that South Africa, under a one man, one vote system, will show the same retrogression in its economy, its treatment of individuals, its standard of living and its quality of life that make me believe in a gradual evolutionary change.

The realist must acknowledge that the place and role of the white man in South Africa is not all negative.

In the Ivory Coast, which is one of the few black African countries that has shown an improvement in agricultural production, it is now estimated that there are more whites than before independence. In Zambia, 300 white farmers produce 65 percent of the country's agricultural output. In Zaire, whites run the rich copper and cobalt mines in the Shaba Province.

It is no mystery that in South Africa itself (with only 5.8 percent of the continent's population) 18.8 percent of Africa's wheat is produced as well as 20.2 percent of its potatoes, 32.4 percent of its sugar and 41.4 percent of its maize. It is no secret why South Africa is the only food exporter on the continent and the economic and industrial giant of Africa.

The history of Africa has shown that wherever the white expertise has left, a vacuum is created. This vacuum is either filled by social disorder and agricultural, economic and industrial deterioration; or it is filled by some or other non-African nation. Andrew Young has claimed that the Cubans have brought stability to Angola, and he has been criticized for the remark. I agree with this remark, because the withdrawal of the Portuguese from Angola created a vacuum, and if this vacuum was not filled by the Cubans, one would have seen tremendous social disorder, civil war and even a greater deterioration in agricultural and economic output than already exists.

Have those who preached a transfer of power from white to black in South Africa ever considered who would fill the vacuum that would immediately be created?

TEETHING PROBLEMS?

There are those who say that the problems that one sees in newly independent black African countries are just teething problems and that these will disappear. But is this really a valid thought? Liberia has had teething problems ever since it became independent over a century ago, in 1847. And its teething problems have only progressed to a stage where it is ruled by a master sergeant in the army who rids himself of troublesome opponents by shooting them. Ethiopia, which has been independent for even longer than that, still has teething problems with its painfully slow march toward human dignity for all: harsh and repressive rule by a military clique with the assistance of Russia, Cuba and East Germany—and no elections!

It has become fashionable, both in the West and in the East, to insist on selective-one man, one vote for Africa. When a one man, one vote election returned Bishop Abel Muzorewa to power in 1979, it was rejected by both West and East because the Americans, the British (or rather their governments) and the Russians did not approve of a Muzorewa government. But they did approve of a Mugabe government arising out of the one man, one vote election in 1980 even if it was more a case of one-man intimidated, one vote. So blatant has the selective one man, one vote concept become that President Nyerere of Tanzania, whose people have not had personal experience of democracy for something like 20 years, stated before the results of the 1980 election were announced that he could not accept the results because the election had been rigged. But after the results were announced, and Mr. Mugabe, of whom he approved, was declared the winner, Nyerere pronounced himself satisfied that the elections had been fair and free.

I WOULD WAGER ANY MONEY

I would wager any money that if with this same fair and free election Bishop Abel Muzorewa was returned to power, then neither the West nor the African countries, not to speak of the Communist countries, would have accepted the outcome of the election.

The same selective concept is being played out in Namibia/South West Africa where the West, jubilantly supported by the Russians and the United Nations, is spending a great deal of time trying to devise a one man, one vote election. Then they can give their blessing to Mr. Sam Nujoma's Swapo terror group if they win, but they can reject out of hand if one of the democratic parties within South West Africa comes out as the winner.

What is really meant is that the selective one man, one vote concept favours those who reject to participate with the white man to run the country, who reject democracy and seek power through violence. The West is perfectly content to underwrite this concept. But those who underwrite violence in this way, and even more so those who actively support it and even participate in it, should remember that it is not only the black man in Africa who can resort to violence. The white man in Africa can also become violent if provoked beyond endurance. The white man has also fought for his place in the sun: Indeed, the Afrikaner fought the very first war of independence in Africa. And it was the Afrikaner who originated guerrilla warfare, here in Africa.

We Afrikaners do not seek violence, and we will do everything in our power to prevent a violent solution to our problems. But we do not want to rush change. It is a handy slogan to say Change or Perish. But the history of Africa in the 1960s and 1970s shows that if you push change too far too fast then it can also be a case of Change and Perish.

We have rejected, and we still reject, the road of confrontation and violence. But if confrontation and violence is sprung upon us, do not think that the white man will succumb and run away. He can also partake in violence. And confrontation and violence does not necessarily mean that the black man will win.●

REFLECTIONS ON THE HAIG HEARINGS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, January 16, 1981

● Mr. BINGHAM. Mr. Speaker, after several days of listening to the Senate Foreign Relations Committee hearings on the confirmation of Alexander Haig, I have been once again struck by the value of this procedure.

I hope no one thinks, that because only two members of the committee voted against confirmation, the long hearings were a waste of time.

As General Haig himself said, the process was an education for him. Because the hearings covered so much ground, they were also, I feel sure, highly educational for those who listened, as I did, to the proceedings on National Public Radio, or who witnessed them on public television. Moreover, General Haig's testimony will provide a useful benchmark against which his performance can be evaluated as the months go by.

He was an impressive witness, who had carefully prepared himself in advance and had the benefit of the advice of an "old pro," former Secretary of HEW Joe Califano.

Senator PAUL TSONGAS in particular deserves great credit for his well-researched questioning and for his respectful but persistent effort to elicit from General Haig some disavowal of the mistakes of the late 1960's and early 1970's. I share his and Senator PAUL SARBANES' concern that General Haig's way of looking at the great planetary issues of the day is too narrow, perhaps dangerously so. On a personal note, I might add that Senator TSONGAS' performance once again made me proud that I had been able to help, in a very modest way, in his campaign for the Senate.

On another aspect of the Haig hearing, I am grateful to Bob Woodward of the Washington Post for putting the issue of the Watergate tapes in proper perspective. I insert herewith his column from the Washington Post for January 15.

DO NOT SUBPOENA THE TAPES

(By Bob Woodward)

The U.S. Senate should probably forget about obtaining any of the notorious Nixon tapes as part of the confirmation hearings of Alexander M. Haig, the secretary of state-designate. The subpoena for the logs of the 1973 Haig meetings with President Nixon should also be abandoned. It is a senseless chase. The subpoena is quite possibly illegal and, if challenged in court, is an almost sure loser for the Senate; the search is itself unfair and has no precedent in any other confirmation hearing.

Legally, the Senate and its Foreign Relations Committee have little to stand on. The Nixon tapes generated their very own Supreme Court decision, the 1974 ruling that directed Nixon to produce some tapes. Nixon lost on the particular taped conversations, but it is not well remembered that he won big on the overall principle. The unanimous court opinion stated emphatically, for the first time in a high court ruling, that the confidentiality of presidential communications is protected by the Constitution. The court said that the presidential confidentiality has "constitutional underpinnings . . . the privilege is fundmental to the operation of government."

The tone and language of the opinion make it clear that the tapes are presumed to be confidential and unobtainable unless there is a presentation of sworn testimony that the discussion might be criminal. John Dean, former Nixon counsel, had testified precisely about specific meetings that were taped.

The Haig-Nixon conversations of 1973 do not come close to meeting such a standard. The senators in fact have said exactly the opposite and have fallen all over themselves praising Haig, saying that there is no evidence to suggest improper conduct on his part. Sen. Charles Percy, the committee chairman, who signed the subpoena for the 1973 logs said: "I have never seen a shred of evidence that would lead me not to believe that he [Haig] will be fit."

The law has for years been clear on at least one point: evidence is never obtainable to prove a charge that is not made. There has to be some reason, clue or hint of relevance or criminal activity before it generally can be subpoenaed. In the tapes opinion, the court applied the standard in the federal rules of criminal procedure about "relevance and admissibility"—the need to show that the subpoenaed tapes had something to do with the case and could be used in a trial. And the opinion goes on explicitly to note that a "fishing expedition" will not be permitted.

Granted, the Supreme Court opinion deals with a criminal trial only and not with the issue of a subpoena by a Senate committee. But the spirit of the 1973 rulings is clear—there has to be some established basis for seeking the material, not just a feeling that it might be useful. And another Senate committee, the Senate Watergate committee, did in 1973-74 try to get some of the Nixon tapes and lost its case.

Whether the Senate likes it or not, the Supreme Court might view its pursuit of the tapes as substantially less pressing than that of a prosecutor investigating a crime, especially if there is no specific charge. Carry the thought several steps further. Suppose Haig wrote some letters to his son during the same 1973 Watergate period and talked about the scandal in the White House. Should the Senate subpoena those letters also? No one has suggested that yet, but the Senate would have a better case to get such letters because they are not constitutionally protected as confidential, as the tapes are.

Four years ago when Cyrus Vance and Harold Brown were up for confirmation as secretary of state and secretary of defense, respectively, no one seriously suggested that the Senate subpoena documents from the Defense Department concerning their service during the Vietnam War era. But the Vietnam questions were able to be fully explored at their confirmation hearings.

It is little known that, because of the obstructionist actions of the White House in 1974, the Watergate prosecutors took a look at the actions of Haig, who was then serving as White House chief of staff, and at the actions of the White House lawyers. Though the Watergate prosecutors were not pleased with the delaying tactics and other stunts pulled by Nixon and his aides, Haig and the lawyers handling Nixon's case were unofficially cleared.

But there is much more than a principle of law involved in this resurfacing of Watergate and the tapes. The larger point has to do with the function of the Senate in reviewing someone's fitness for a Cabinet position. What are the limits? There must be some.

To turn to the practical questions posed by the tapes: the audio quality is terrible. The transcribing would be a nightmare task; the unintelligibles, the ambiguities, the vagueness and indirection of Nixon conversations are as maddening as the man himself. If the senators ever got the tapes, they might never be able to agree what actually was on them.

Haig was the chief aide to a criminal president trying to cover up an illegal eavesdropping operation. What would it mean if Haig, in an effort to console Nixon or get out of Nixon's office (Nixon was legend for keeping aides for hours rambling on), said something encouraging that would look bad now?

It is hard to agree with former special Watergate prosecutor Leon Jaworski's characterization of Haig's White House service during Watergate as "heroic." Haig was in a tough spot and played out many contradictory strategies on Watergate saying and doing many often contradictory things. He is probably a shameless self-promoter, and carried situation ethics to the point of making it a personal character flaw.

Haig, nonetheless, did keep a rickety and criminal ship of state afloat and helped ease Nixon out of office. To my mind, he should be neither hailed nor strangled for that role, only held accountable. That has happend and is happening. But let it happen without the tapes.●