

HOUSE OF REPRESENTATIVES—Wednesday, March 18, 1981

The House met at 3 p.m.
The Chaplain: Rev. James David Ford, D.D., offered the following prayer:

Seek the Lord while He may be found, call upon Him while He is near.—Isaiah 55: 6.

O Lord, You dwell in the eternal reaches of the heavens, and yet You live in the human heart. Your promises ring from the mountaintop, and yet You listen to the personal cry of each of Your people. Help us, O Lord, to hear Your voice and see Your presence in the seemingly ordinary run of life, that we may minister in love to those nearest to us. Amen.

THE JOURNAL

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

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

APPOINTMENT OF DELEGATION TO ATTEND CONFERENCE OF INTERPARLIAMENTARY UNION IN MANILA, PHILIPPINES

The SPEAKER. Pursuant to the provisions of title 22, United States Code, section 276a-1, as amended by Public Law 95-45, the Chair appoints as additional members of the delegation to attend the Conference of the Interparliamentary Union to be held in Manila, Philippines, April 20-25, 1981, the following Members on the part of the House: Mr. PICKLE of Texas; Mr. DE LA GARZA of Texas; Mr. HAMILTON of Indiana; Mr. DANIELSON of California; Mr. BOWEN of Mississippi; Mr. LEVITAS of Georgia; Mr. RHODES of Arizona; Mr. BROOMFIELD of Michigan; Mr. McCLORY of Illinois; and Mr. VANDER JAGT of Michigan.

RESIGNATION AS MEMBER AND APPOINTMENT AS MEMBER OF SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER laid before the House the following resignation from the Select Committee on Narcotics Abuse and Control:

HOUSE OF REPRESENTATIVES,
February 27, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House,
H-205, The Capitol.

DEAR MR. SPEAKER: I appreciate very much the honor of being appointed by you to serve on the Select Committee on Narcotics Abuse and Control. Much needs to be done

to alleviate the serious national problem imposed by illicit drugs, and the Committee can be helpful in dealing with many facets of the problem.

Nonetheless, I have taken on added responsibilities as a member of the Committee on Government Operations and do not feel that I will be able to devote the time and attention to the Select Committee as its mandate requires. Therefore, I respectfully request that my appointment be vacated and another Member appointed in my stead.

Best wishes,

STEPHEN L. NEAL,
U.S. Congressman.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER. Pursuant to House Resolution 13, 97th Congress, the Chair appoints the gentleman from California, Mr. MATSUI, as a member of the Select Committee on Narcotics Abuse and Control to fill the existing vacancy thereon.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
March 17, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in the Rules of the House of Representatives, I have the honor to transmit a sealed envelope from The White House, received in the Clerk's Office at 3:35 p.m. on Tuesday, March 17, 1981 and said to contain a message from the President wherein he transmits the Seventh Special Message for Fiscal Year 1981 under the Impoundment and Control Act of 1974.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

PROPOSALS TO RESCIND AND REDUCE BUDGET AUTHORITY AND ONE NEW DEFERRAL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-32)

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

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith

report 81 proposals to rescind a total of \$11.1 billion in budget authority previously provided by the Congress. In addition, I am proposing to reduce authority to incur obligations for direct loans by a total of \$751.8 million and I am reporting one new deferral of \$3.4 million. These proposals are an integral part of my plan to reduce government spending.

The details of the rescission proposals and the deferral are contained in the attached reports.

RONALD REAGAN.

THE WHITE HOUSE, March 17, 1981.

SECRETARY BELL HITS NAIL ON HEAD ON BUSING

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

Mr. MOTTI. Mr. Speaker, all of us concerned about our public schools should welcome the remarks of Education Secretary Bell concerning court-ordered busing and its disastrous consequences.

Secretary Bell pledged during a Sunday public affairs program that he would keep his Department out of busing cases. Further, the Secretary indicated support for our neighborhood schools constitutional amendment, to put an end to this destructive judicial policy.

Secretary Bell hit the nail on the head when he observed that court-ordered busing isolates the parent from the neighborhood schools, handicapping parental participation. I could go on at length about many other destructive characteristics of court-ordered busing.

But suffice it to say that it is indeed a pleasure to have a Secretary of Education who recognizes court-ordered busing for the immense failure that it is.

Please sign discharge petition No. 1, at the Clerk's desk.

WHICH DAY IS IGNORE EL SALVADOR DAY?

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

Mr. STUDDS. Mr. Speaker, the Reagan administration has not made it clear to us whether today is one of those days when we should ignore El Salvador because it is relatively unimportant, or whether today is one of

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

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

those days during which El Salvador acts as sort of a latter-day maginot line against the international Communist conspiracy.

We would be very thankful if Secretary Haig could provide us with an El Salvador crisis calendar so that we could adjust our attention span accordingly. On the off-chance that today is one of those days we are encouraged to think about El Salvador, I speak now briefly in my own behalf and on behalf of the 72 other Members of the House who are sponsoring H.R. 1509, a bill to prohibit military aid to that country.

I and some of my colleagues to follow take this opportunity to make clear to this administration that El Salvador is not an issue which will simply fade gracefully from the consciousness of the Congress or the American public. El Salvador is not a water faucet. It is an ongoing human tragedy of terrible proportions.

Today we begin what we intend to be a series of demonstrations of our determination to make certain that the issues of El Salvador are fully and clearly explored and that the nature of our commitment to the Salvadoran junta is clearly understood by the American people.

We intend to ask now in vigorous and forthright terms those questions which Congress waited far too long to ask with respect to America's involvement in Vietnam.

JOINT REFERRAL TO COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS AND COMMITTEE OF ENERGY AND COMMERCE OF H.R. 1916, FEDERAL RESERVE ACT AMENDMENTS

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the bill (H.R. 1916), a bill to amend the Federal Reserve Act with respect to certain reserve requirements, be jointly referred to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

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

There was no objection.

DANGEROUS ESCALATION IN EL SALVADOR

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

Mr. RATCHFORD. Mr. Speaker, the latest reports from the distinguished gentleman from Maryland, Chairman LONG, and the latest news from the administration reaffirm my belief that our country is walking sideways, and blindfolded, into a needless military involvement in El Salvador.

We have been down this twisted road before, Mr. Speaker—and not so many years ago that the course can be forgotten by those of us who will soon be reviewing the requests for further military aid appropriations. This dangerous escalation began with the shipment of small arms to the unpopular military-backed government in San Salvador; it grew with the gradual shipment of 10 Huey helicopters, the millions of dollars in additional military assistance, the steady buildup in U.S. military advisers.

Now we learn that a further contingent of advisers—a squad of Green Berets—is on its way to El Salvador to train the regime's troops in the latest counterinsurgency tactics, and to instruct them in the use of the hardware we have and will be sending them.

I urge the President to heed the lessons of recent history and diligently avoid an unjustified, unnecessary, and politically unacceptable military involvement in El Salvador. And I urge my colleagues to add their voices to those who would turn America's attention to a peaceful, political solution to the Salvadoran conflict, not a military one.

Our active presence in El Salvador will only widen and prolong an internal war—and it is a war in which America does not belong, a war America does not want.

CRISIS IN EL SALVADOR DID NOT START YESTERDAY

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

Mr. VENTO. Mr. Speaker, the crisis in El Salvador did not start yesterday. In fact, the Marxists and the problems that exist with it have been there for nearly 50 years. Clearly we are not going to solve it in a very short period of time.

It is my feeling and I think those of many Americans that the Carter administration erred on the side of providing more military assistance and economic assistance at the expense of human rights with its January decision.

In spite of that and in spite of the time that the new Reagan administration had, it has not used that time wisely, so we find ourselves embroiled in a situation where more arms are provided, more economic assistance without any consideration of the human rights values that are involved.

Ironically, as we change this policy, we have to consider all aspects. We have to consider the OAS force and our position of neutrality with regard to El Salvador and our policies with relation to the other countries in South and Central America.

Although we are told again and again that there are no combat troops,

these OAS people and the peacekeeping force they represent are a convenient target for guerrilla activities, either from the left or the right; so as we change the policy, we have to recognize that we change our posture and position with regard to our avowed neutrality.

President Reagan's decision to send military advisers and increased military assistance to El Salvador represents a basic change in U.S. policy. The immediate ramifications of this policy change affect our relations with all Central American countries as well as the Organization of American States (OAS), the security organization for the Western Hemisphere. In addition, the new U.S. posture toward El Salvador unnecessarily endangers the lives of the nine U.S. servicemen already assigned to an OAS mission to monitor the Honduras-El Salvador border.

Since World War II, the basic policy of the United States has been to rely on the OAS to keep the peace in Latin America. It was in accord with this policy that the OAS established a peacekeeping force along the Honduras-El Salvador border following the outbreak of hostilities between those two countries in 1969. According to the U.S. Department of the Army, American servicemen have been part of the OAS force since 1976.

Despite assurances from the White House that there are no American servicemen in regions of hostility in El Salvador, these American servicemen have been and continue to participate in OAS jeep and helicopter patrols on the border where guerrilla activity is taking place. These soldiers wear American uniforms. Seven of them fly U.S. Army helicopters which are the same type as the helicopters now being sent as part of the administration's aid package. The other two American servicemen patrol the remote border areas in jeeps, accompanied for the most part only by a driver.

These OAS-American servicemen certainly are vulnerable guerrilla targets. News reports indicate they have been under fire. Last December one American helicopter piloted by the U.S. crew returned from a patrol with three bullet holes in its side. Fortunately, thus far no one has been wounded.

The viability of this OAS peacekeeping force, like similar U.N. forces in the Middle East, is predicated on the fact that it is neutral and has the support and participation of noninvolved members. While the U.S. manpower contribution to the peacekeeping force is relatively small, it does represent an important factor. Through its participation in the OAS action, the United States appropriately signaled its com-

mitment to a neutral, multilateral approach to conflict resolution.

President Reagan's new policies in El Salvador have drastically altered the circumstances of our involvement in that country and will have a marked effect on world perceptions of U.S. neutrality with respect to El Salvador. We have given a significant military commitment to the government of that country. The American servicemen in the OAS force have been undercut because the neutrality which permitted their functioning in the OAS force has been seriously eroded.

The presence of the nine American servicemen in the demilitarized zone provides a convenient target to leftist and rightist guerrillas. This OAS-American contingent wears uniforms not unlike those of the U.S. advisers training the El Salvadoran troops. Any attack on these servicemen would surely further destabilize El Salvador and escalate our commitment and presence in that country.

I believe that the administration has not considered the full implications of its actions in El Salvador. In the midst of the announcements of our policy change toward El Salvador—according to a United Press International report—the contract for American participation in the OAS peacekeeping body was continued until July 1981. Clearly there appears to be a lack of coordination of policy. The left hand does not seem to know what the right hand is doing. Such an approach to policymaking is a sure road to disaster.

I hope that the President will reassess his approach to our relations with Latin America. The past multilateral approach has proven successful. Cooperation with our hemispheric neighbors is preferable to unilateral action. I believe that the military advisers are a mistake. Nevertheless, their introduction is U.S. policy and the implications of that policy must be thought through.

Why is it necessary to continue to keep those Americans on the OAS peacekeeping force? Surely the presence of these nine Americans in an OAS force numbering in the hundreds is not crucial to its success. If anything, under present circumstances it detracts from the OAS mission. As Prof. Robert R. Riggs, formerly of the University of Minnesota and a leading expert on international organization and international law, said:

The introduction of U.S. advisers into El Salvador makes our continued participation in the peacekeeping forces suspect.

I have asked Secretary of State Alexander Haig to request the immediate removal of these nine American servicemen from El Salvador. Their lives are in danger as they have not been before. Their presence, with the change in the U.S. military posture, diminishes the world's perception of OAS neutrality. And their continued

participation in the border patrols only increases the opportunities for any of the forces involved in the Salvadoran conflict to challenge the United States and force some type of retaliatory action.

We are engaged in the most sensitive and dangerous political maneuverings in El Salvador. Prudence and common-sense dictate that we avoid ambiguities. Despite our decision to intervene unilaterally, we should signal our support for the principle of OAS involvement. The way to do this under the present circumstances is to withdraw American participation. The United States has decided to coach. It can no longer serve as a referee.

ADMINISTRATION POLICY IN EL SALVADOR IS BOTH MORALLY AND STRATEGICALLY WRONG

(Ms. MIKULSKI asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Ms. MIKULSKI. Mr. Speaker, I rise to state my opposition to the present administration policy in El Salvador. I believe our policy is wrong both morally and strategically. We will never win peace by encouraging terrorism; we will never win respect by winking at the murder of American citizens; we will never impress the rest of the world by arming the murderers of nuns and peasants.

When I traveled to Central America this year, I met with many Salvadoran refugees. They told me that they had to flee their villages because uniformed military officers were using American equipment to make war on a peaceful civilian population. The soldiers of El Salvador arrive in American helicopters to kill and torture men, women, and children. They use rape as a weapon of terror. They carry out particular atrocities against pregnant women and young children.

I do not believe that the people of the United States want to go on sending arms to a government that cannot or will not stop its own troops from attacking its own people. I do not believe that our constituents want to see their tax dollars used to help buy guns that will murder archbishops saying Mass and nuns working to teach people to read and write.

I urge my colleagues to join me in saying: No more. No more arms to El Salvador. No more military advisers; no more Green Berets; no more American involvement; no more American weapons to make war on the Salvadoran people.

U.S. INTERVENTION IN EL SALVADOR GRAVE RISK TO PEACE

(Mr. AuCOIN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, during a factfinding trip to El Salvador, our colleague, the gentleman from Maryland (Mr. LONG), was quoted this week as saying that he wishes that the President of the United States would read a few books. The Congressman's message is that past failures of the United States in both Vietnam and in Central America are well documented, and if ignored at this crucial juncture, they gravely risk the cause of cooperation in the hemisphere, peace, and social justice.

To add to what Congressman LONG has said, I would only express this hope: That the President of the United States will listen to the voice of the American people.

U.S. military intervention in El Salvador has nothing to do with protecting democracy, and the American people can see that. The misery of the exploited Salvadoran people has been deepened by their Government and the American people can see that, too.

Our leaders are telling us that we are fighting terrorism in El Salvador, but the American people know that the very military establishment we are supporting has terrorized its own people for years.

Mr. SPEAKER, my mail shows that with each new dispatch of military aid and advisers to El Salvador, we find a deepening opposition of the American people. Many of the letters I receive are copies of letters sent directly to the White House. Those letters speak the truth; namely, that the problems in El Salvador are not military, that they deal with social justice and repression.

□ 1515

OPPOSITION TO MILITARY INVOLVEMENT IN EL SALVADOR

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

Mr. BEDELL. Mr. Speaker, I rise in opposition to our growing military involvement in El Salvador.

It is clear to me that the risks of this involvement are rising each day. Yesterday, for the second time in as many weeks, our San Salvador Embassy was strafed by machinegun fire. Although no one was injured, the incident highlights the impunity with which both rightwing and leftwing extremists can attack American personnel.

Under these conditions it makes no sense at all for us to be escalating our military presence in El Salvador. We are committing ourselves to a military struggle on behalf of a civilian junta that still lacks political legitimacy. In doing so, we are undermining the junta's only genuine chance of defeat-

ing the extreme left by building popular support around political and economic reforms.

While resuming military aid, the Carter administration, at least, had persuaded the junta to adopt a sweeping program of land reform. Now, by promising unconditional military backing, the Reagan administration risks losing the leverage required to push through these reforms. Instead the flow of American arms and military advisers will force the civilian government to accommodate its own anti-reform military.

El Salvadoran President Duarte understands this danger and has cautioned against further military aid and advisers. Our allies in Central America also understand this: Mexico and Venezuela, in particular, fear that President Reagan's military focus will heighten the use of arms in neighboring unstable countries like Guatemala, Nicaragua, and Honduras.

It is time for us to remember that our greatest foreign policy failures of the past decade—Vietnam and Iran—resulted from wrapping ourselves in close military ties to politically unstable regimes. We must not repeat this mistake in El Salvador.

GOVERNMENT TERRORISM IN EL SALVADOR

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

Mr. DOWNEY. Mr. Speaker, we are told by the new directors of foreign policy in the Reagan administration that the old emphasis on human rights has been replaced in our dealings with other nations by a new emphasis on combating terrorism. While human rights considerations have certainly disappeared from our new counsels of state, the much vaunted anti-terrorist policy is proving to be a very strange animal.

In El Salvador at the present time there are so-called death squads that roam the towns and much of the countryside at will, carrying out summary executions with impunity. Some 10,000 Salvadorans have been killed in the past year; 2,000 more have died at the hands of the death squads, police, and armed troops since January. Moderate politicians like Col. Adolfo Majano have been driven out of government service and have had to go into hiding in fear for their lives. Catholic nuns have been brutally murdered by the roadside and no efforts have been made to find their killers. Other religious leaders, writers, and thousands of ordinary peasants and workers go daily in fear of their lives.

Yes, there is certainly a condition of terror in El Salvador today. But the terrible twist to this sad story is that the source of this terror is the ruling

junta of the country, which supports a campaign of murder and intimidation against its own people, through the National Guard and the armed paramilitary extremists opposed to all social and land reform. As a part of the President's new antiterrorist policy, our Nation is now supporting that junta with military arms and training. I wonder how long it will be before the administration's antiterrorist policies will lead them to commit American troops to help the Salvadoran junta even more in their campaign of terror? Hopefully, before that fateful day the U.S. Congress will recognize the bankruptcy of a Latin American policy that supports organized governmental terrorism against women and children and all forms of dissent.

EL SALVADOR POLICY A DISASTER

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

Mr. SHANNON. Mr. Speaker, for the last several weeks Members of this Chamber have come into the well to condemn American involvement in the politics of El Salvador. Throughout this period there has been a growing concern in the country that we are being lead into another Vietnam. This concern is seen in every district across the country and I think the mail of most Members will reflect it.

Yet throughout this period there has been an eerie silence on the Republican side of the aisle on the issue of El Salvador. Is support for the President so strong in those Republican districts that these Members are afraid to criticize this policy? Is support for the President so strong that they are afraid to stand up and condemn oppression and killing of American clergy people? I would hope not.

The time has come for us to get on with the business of dealing with our economic problems in this country. El Salvador should not obstruct that task. I ask the Republican Members to join with us, to join with us in convincing the President, in convincing the Secretary of State that our policy in El Salvador is a disaster.

THE SO-CALLED CUTS IN THE REAGAN BUDGET

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

Mr. DONNELLY. Mr. Speaker, Congress and the public must be warned that many of the so-called cuts in the Reagan budget will not actually reduce Government spending. They merely reestimate spending levels to reflect the administration's unrealistic and rosy economic assumptions.

The Congressional Budget Office has taken a good hard look. They conclude the administration has underestimated spending by \$20 to \$25 billion because it has overestimated the impact of its policies on inflation, unemployment, interest rates, and economic growth.

The economists and budget analysts who have testified in committee have agreed overwhelmingly—the administration's economic assumptions are not realistic.

Even the Republican-dominated staff of the Senate Budget Committee concludes the White House has overstated savings by \$5.7 billion.

This Congress is committed to a genuine reduction in Federal spending. However, we would not be doing our duty if we passed a budget based on a mathematical sleight of hand.

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

Mr. DONNELLY. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Speaker, I would like to associate myself with the remarks of the gentleman in the well.

Practically no reputable professional economist now supports the economic assumptions of the Reagan budget. On March 12, this country's three outstanding economic forecasting firms testified regarding the economic assumptions. Robert Gough, vice president of Data Resources, Inc.; Lawrence Chimerine, chairman of Chase Econometrics, and Lawrence Klein, of Wharton Econometric Forecasting Associates, Inc., all disagreed with the administration's inflation projections which show the Consumer Price Index decelerating from 10.5 percent this year—fourth quarter to fourth quarter—to 7.2 percent in 1982. Their estimates for 1982 were 9.5 percent for Wharton, 9.7 for Chase, and 10.2 for DRI.

Chimerine was joined by Gough in defining the present inflation as cost-push inflation compared to a demand pull claimed by the administration.

The three firms were equally in disagreement with the administration's assumption of a growth rate of 4.2 percent in 1982. The firms' forecasts are 3.6 percent for Chase, 2.3 percent for Wharton, and 3.5 percent for DRI.

The testimony of these three noted economists demonstrates that the President's projections concerning reduced inflation and interest rates can only come true if his pie-in-the-sky economic assumptions are valid. Increasingly, the Nation's economists disagree with these assumptions.

THE PRESIDENT SHOULD OBEY THE LAW

(Mr. OTTINGER asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, I rise once again to call on President Reagan to obey the law and honor the war powers resolution by reporting to Congress on his decision to send military advisers to El Salvador.

The President came into office on a campaign of respect for law and order, and it is clearly a semantic subversion of the War Powers Act not to submit this most important question for congressional consideration.

The implications of this military intervention are just dawning. I set up the Peace Corps in Latin America and, indeed, in El Salvador. I can tell my colleagues there is nothing the Latins fear more than a renewal of American military interventionism as a policy in that continent.

Furthermore, it completely undermines our efforts to try and get the international community to express their repulsion and to put pressure on the Russians to get out of Afghanistan. If the Russians are minded to go in with military troops to Poland, our intervention in El Salvador makes it far easier for them to do so.

The President should obey the law and submit this question to Congress. That is why I have introduced House Concurrent Resolution 87, which calls on the President to report to Congress under the war powers resolution with respect to his actions in El Salvador. I urge support of this resolution, and I am inserting a copy of it in today's RECORD:

H. CON. RES. 87

Concurrent resolution declaring that the President's decision to commit United States military personnel to El Salvador requires that he comply with section 4(A) of the war powers resolution

Whereas the war powers resolution is designed to insure Congress a full deliberate role in the involvement of United States military personnel in hostilities abroad;

Whereas introduction of United States military personnel in El Salvador clearly involves those personnel in hostilities and endangers their safety; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring) That the President's decision to commit United States military personnel to El Salvador requires that he comply with section 4(A) of the war powers resolution in order to preserve the integrity of the war powers resolution and insure the full and cooperative judgment of both the Congress and the President with respect to the introduction of United States military personnel into that country.

REAGAN ADMINISTRATION NEEDS SPEEDY ORGANIZATION

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

Mr. DANIELSON. Mr. Speaker, our Republican brethren also appear to be somewhat frustrated by the slow pace

of the administration in making its programs work. The chairman of the Senate Energy Committee, JAMES MCCLURE, was quoted as castigating Energy Secretary Edwards for the slow pace of filling the top jobs at the Department of Energy.

An agency cannot function without leadership. I join Senator MCCLURE in urging the administration to speed up the appointments to key positions at DOE and the other agencies. We must get the administration organized so that we can get on with the urgent business of our country.

EL SALVADOR

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

Mr. MAVROULES. Mr. Speaker, many of us have begun to suspect that the Reagan administration sees El Salvador as an updated version of Vietnam.

Indeed, all the signs are there.

American advisers are being sent to El Salvador, and opponents of the Reagan policy are being denounced as nervous nellies—the same label used in the sixties to describe Vietnam war critics.

But the truth is that El Salvador is not Vietnam.

Social and economic justice have opportunities in El Salvador that they never had in Vietnam.

Sending guns and military advisers is no way to take advantage of these opportunities.

Meaningful land reform, on the other hand, would.

Let us then work toward that goal.

Let us also encourage free elections, not random violence. And let us, finally, help Salvadorans reap the rewards of peace and economic prosperity.

KEMP-ROTH TAX PROPOSAL NEEDS CAREFUL REVIEW

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

Mr. MATSUI. Mr. Speaker, a significant component of President Reagan's tax program is the proposed 30-percent income tax cut over a 3-year period. During the past 2 weeks before the Ways and Means Committee, a number of highly professional and outstanding economists have questioned the advisability of enacting such Kemp-Roth tax legislation.

On March 12, the principal economic forecasters in the country rejected the personal income tax program supported by the Reagan administration.

Robert Gough, vice president of Data Resources, Inc., testified:

On a net basis, one cannot escape the conclusion if one believes in the relationships that have governed our economy in the past, that the net effect of the President's program, based on the President's schedule, is to make the inflation rate worse.

Lawrence Chimerine, chairman of Chase Econometrics, stated:

The magnitude of the tax cuts in the years ahead significantly exceeds the total net budget reductions after increases in national defense are included, especially in later years . . . The likely effect would be a continuation of extremely high interest rates, possibly even higher than we are now experiencing.

The Chase chairman recommended that a smaller personal tax cut now would be appropriate with a review of the situation within a year.

Both Gough and Chimerine offered the alternative of changing the timing of the cuts, which would affect an extension of the period of 12 to 18 months.

President Reagan promised the American people on February 18 that he would take effective steps to control escalating inflation and higher interest rates. But these noted economists predict that the President's Kemp-Roth proposal may only guarantee increasing inflation and more burdensome interest rates. Given these potential real risks, the precipitate enactment of Kemp-Roth by the Congress would be improper. Kemp-Roth demands a careful review.

THE SLASHING OF THE EDUCATION BUDGET

(Mr. PEYSER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. PEYSER. Mr. Speaker, in continuing in my effort to keep the House informed on what colleges around the country are saying concerning the slashing of the education budget by this administration, I am entering into the RECORD today a letter from Juniata College in Congressman SHUSTER's district, Mount Union College in Congressman REGULA's district, Livingstone College in Congressman HEFNER's district, New Mexico Highlands University in Congressman LUJAN's district, and the Inter American University of Puerto Rico in the district of Congressman CORRADA.

I would like to extract, if I could, one paragraph, Mr. Speaker, from the Mount Union College. It says:

It is my fervent hope that Congress will recognize the importance of continuing to aid our young people in their educational pursuits. Short-range budgetary measures

simply will not be beneficial in the long run if our common interest in the education of our youth is undermined.

I support and urge others to support full funding of the Pell grant and support of the guaranteed student loans.

The letters are as follows:

JUNIATA COLLEGE,
Huntingdon, Pa., March 10, 1981.

Hon. PETER A. PEYSER,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PEYSER: I do appreciate your recent letter concerning your position regarding the education budget. I am sure that most every educator in America agrees with you. A recent issue of the Chronicle of Higher Education indicated that higher education, among other things, is a \$50 billion business and that it is very much a part of the economy. The famous Reagan silent majority—the middle class (whatever that means)—will be hit and hit hard if the guaranteed student loans are attacked by the budget axe. The young people who represent the lower economic group who wish to obtain college degrees and thus improve themselves and become more productive human beings and thereby increase the tax base for the nation will be harmed if the Pell Grants suffer.

Juniata College, a small college of 1300 students, is more than willing to take an active part in your effort to ward off this attack on higher education.

Sincerely yours,

FREDERICK M. BINDER,
President.

MOUNT UNION COLLEGE,
Alliance, Ohio, March 10, 1981.

Hon. PETER A. PEYSER,
House of Representatives, Cannon House
Office Building, Washington, D.C.

DEAR REPRESENTATIVE PEYSER: I want to express my strong appreciation for your awareness and concern regarding the problems that are likely to be encountered by the students and their parents who are depending upon some aid through either Guaranteed Student Loans or Basic Educational Opportunity (PELL) Grants if the decision is made to cut back these programs severely. It is quite likely that such action will not only limit student choices among institutions which they want to attend but will also result in many students simply not going on to college. Moreover, the increased expenditures in financial aid, when accompanied by the projected declines in enrollment over the next few years, will lead to financial difficulties that many independent colleges will simply not be able to bear. It is my fervent hope that Congress will recognize the importance of continuing to aid our young people in their educational pursuits. Short range budgetary measures simply will not be beneficial in the long run if our common interest in the education of our youth is undermined. I support and urge others to support full funding of the Pell Grants and maintenance of the GSL program for middle income families. I understand perfectly the abuses that have occurred in relation to the latter but I believe these can be more effectively controlled and, perhaps, limited on the very high upper level.

Thank you for your interest. You can count on our continued support in this most significant issue.

Sincerely,

G. BENJAMIN LANTZ, JR.,
President.

LIVINGSTONE COLLEGE,
Salisbury, N.C., March 6, 1981.

Congressman PETER A. PEYSER,
Cannon House Office Building,
Washington, D.C.

DEAR MR. PEYSER: Thank you for your letter of February 25 expressing your concern for the Reagan Administration's recommendation to cut student loans and basic opportunity grants.

We at Livingstone College are certainly aware of the very serious impact that these cuts could have on the ability of our students to meet their financial obligations. In light of this fact, we are certainly willing to take an active part in the effort to fight against the proposed cuts.

According to our Director of Financial Aid, we have tried to utilize our student financial aid funds in the most efficient manner possible and consequently have been able to assist a large percentage of our enrollees. A cut in our present funds would result in a large number of students having to contribute a much more substantial amount toward the payment of their school fees. Since the present unemployment situation offers minimal opportunity for students to earn extra money, it may become virtually impossible for many talented and deserving persons to obtain an education.

We will, therefore, support your efforts in whatever way we can.

Please let us hear from you soon.

Sincerely yours,

F. GEORGE SHIPMAN,
President.

INTER AMERICAN UNIVERSITY
OF PUERTO RICO,
March 9, 1981.

Hon. PETER A. PEYSER,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PEYSER: The proposed cuts by the new Administration in student assistance programs is of deep concern not only to this institution, but also to all of higher education in Puerto Rico. Even with the current level of student assistance in basic grants and loans, the students of Puerto Rico can barely manage to continue their studies from one year to the next. Any cut at all in student financial aid to Puerto Rico would create hardships for students and institutions of higher education of disastrous proportions.

Typically, Puerto Rican families have enormous faith in the value of education. During the recent years of student financial aid, young Puerto Rican men and women have enrolled in institutions of higher education at a rate unparalleled in our history. Any cut in this assistance would deny opportunities to pursue higher education to several hundred young people.

It is impossible for me to emphasize with mere words the critical position into which higher education in Puerto Rico would be placed if the proposed cuts in student financial aid become a reality. Your interest and assistance in preserving, at the minimum, the current level of student assistance is

deeply appreciated by the entire higher education community of Puerto Rico.

Sincerely,

RAMON A. CRUZ,
President.

NEW MEXICO HIGHLANDS UNIVERSITY,
Las Vegas, N. Mex., March 11, 1981
Representative PETER A. PEYSER,
Cannon House Office Building,
Washington, D.C.

DEAR MR. PEYSER: Your concern for the proposed cuts in Student Financial Aids are not only appropriate but it is also heart warming to hear that you are expressing such concern.

Enclosed please find a breakdown of financial aid programs and monies allocated to students at New Mexico Highlands University. If you will note from the figures, New Mexico Highlands University would experience a real crisis if the proposed cuts are carried out, since 89-90% of our students are on financial aid.

Our proposed 81-82 federal allocation is less than 80-81. In addition, the proposed 81-82 allocation might be subjected to approximately a 30% reduction. This reduction would cause an extreme hardship on the students at New Mexico Highlands University. I will be contacting senators and representatives from New Mexico on this matter. In addition, there will be students expressing their opinion about the proposed cuts.

I sincerely hope that this information will be of help to you in your attempt to prevent such drastic cuts. Thank you for your time and consideration.

Sincerely,

MATTHEW D. PADILLA,
Dean of Students.

Enclosure.

MEMORANDUM

To: Dr. Matthew Padilla.
From: Joe P. Martinez, Director, SFA.
Date: March 4, 1981.

Following is the information you requested regarding 1980-81 funding levels and 1981-82 projected funding for student aid.

Program	1980-81 Federal allocation	Name of students	Amount committed	Average award
BEOG		1,168	\$969,489	830
SEOG-IV	\$57,694	161	62,349	387
SEOG (National disaster)	71,540	138	65,525	475
SEOG (Renewal)	115,433	163	113,913	690
NDSL	12,575	350	255,000	729
CWS	275,625	550	424,038	771
NMSLP	381,610	241	381,610	1,583
FL	Open	23	47,206	2,052
USA	Open	13	26,007	2,000

DISTRIBUTION OF AID BY INCOME LEVEL

(In percent)

Income level	Over- all	NDSL	SEOG	CWS	BEOG	SEOG
\$0 to \$5,999	57	62.0	77	60	56	81
\$6,000 to \$11,999	23	18.0	23	22	24	19
\$12,000 to \$17,999	13	16.0	3	14	13	0
\$18,000 to \$23,999	5	3.0	1	3	5	0
\$24,000 to \$29,999	1	.5	0	1	1	0
\$30,000 and over	1	.5	0	0	1	0

Distribution by income level for New Mexico State Loan Program should be completed by Friday, March 6, 1981. Information of Social Security is not readily available. Generally because of the type of student we serve and the treatment of Social Security for need determination the full

amount of Social Security received by the student has been considered part of the parents income rather than directly available for education.

Based on the current funding formula for projected 1981-82 federal allocation for the College Based Programs our Institution conditional guaranteed would be at the level of funding received in 1979-80. We should receive a tentative commitment letter within the next two weeks.

NDSL*.....	\$6,000
CWS.....	316,250
SEOG I.....	44,368
SEOG R*.....	114,704

* Subject to 30% reduction for 1981-82.

Should you require additional information, please contact me. Thank you.

EL SALVADOR

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

Mr. BROWN of California. Mr. Speaker, from my decade-long experience with the Vietnam war, I am convinced that this country's leaders act with wisdom on foreign policy issues only when the people understand the problems and demand just and humane responses. We are far from that with regard to the situation in El Salvador.

More than 10,000 people died last year in El Salvador, many at the hands of the military. By condoning such actions by the El Salvadoran junta, the United States is aiding and abetting the military in the destruction of more lives and property. We cannot deny this culpability.

Yes, we do have some responsibility to that small, Central American country, and now is the time to determine how we shall fulfill that responsibility. No amount of military assistance will provide political stability for the nation, or economic prosperity for the campesinos of El Salvador.

The policy decision must be made now, before it is too late to change our direction. We ultimately saw the errors of our ways in Vietnam, but it divided and splintered this Nation which is only now recovering. Must we learn our lesson twice?

OPPOSITION TO MILITARY INTERVENTION IN EL SALVADOR

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

Mr. WEAVER. Mr. Speaker, I rise to oppose our military venture in El Salvador. It means the policy that took us to Vietnam has not changed. Indeed, the sounds from our tragic involvement in Vietnam are ominously similar in El Salvador.

We hear of advisers, body counts, search-and-destroy missions, the domino theory. I ask, Will we end up

destroying El Salvador in order to save it?

THE UPRISING OF 1932—EL SALVADOR

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, to revise and extend her remarks, and to include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, it is rare that a summary of Salvadoran history is made without mention of the uprising of 1932.

I thought it would be useful for our understanding of current events in El Salvador to have a little more background on the uprising and the resulting massacre of Indians.

The following passage is taken from "El Salvador," by Alastair White (Praeger: New York, 1973):

THE 1932 MASSACRE IN EL SALVADOR

The rebellion took the form of concerted attacks by campesinos (agricultural workers and peasants), armed almost exclusively with machetes, during the night of 22-23 January 1932, on the public buildings of the western towns. The towns of Izalco, Sonzacate, Nahuizalco, Juayúa, and Tacuba were captured, but the soldiers in the largest cities of Sonsonate, Santa Tecla, and Ahuachapán were able easily to repulse the attacks; in San Salvador a mutiny in the principal barracks had been part of the plan, but it came to nothing. Then the carnage of campesinos began. Seventy-two hours after the revolt began, almost all the small towns had been recaptured by the army, and the massacre took the form of mass executions of suspects, which could often mean anyone wearing Indian dress or indeed almost anyone at all. Estimates of the number who died vary widely, but 15,000 to 20,000 is likely. The figure of 30,000 is often used by the political Left. The repression can be described as a massacre, because of the undoubtedly large numbers killed in cold blood after resistance had ended. There was an attempt to justify it on the other side with stories of murder and rape, but these have been investigated by the politically impartial American historian Thomas P. Anderson, and found to be unfounded: in all probability, not more than half a dozen civilians were killed by the rebels, and certainly not more than thirty.

□ 1530

THE SAME OLD STORY IN FOREIGN POLICY

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

Mr. MOFFETT. Mr. Speaker, how soon we forget. It was not long ago that many colleagues were standing in this well criticizing the Carter administration for a foreign policy which they said isolated the United States and which put our country in a position of losing respect around the world.

A Wall Street Journal article this week by Walter Mossberg indicates

that exactly the same thing is happening, perhaps in a much more serious and long-lasting way, under the Reagan administration. With their 1950's approach to viewing everything in the world in terms of an East-West confrontation, the Reagan administration is bound to get us in very serious trouble.

One high-level adviser to the President, when asked, "Why El Salvador?" responded, "Why not?"

I think that the incident reflects a very real possibility that if it is not El Salvador it will be Angola or Mozambique or somewhere in the Middle East, perhaps saving General Viola of Argentina or General Pinochet of Chile.

CONGRESSMAN CHARLES BENNETT'S REMARKS AT DEDICATION OF LYNDON BAINES JOHNSON WINDOW

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

Mr. PICKLE. Mr. Speaker, on Sunday, March 15, the National Christian Church here in Washington dedicated a beautiful church window in memory of President Lyndon Baines Johnson, 36th President of the United States, and in honor of the former pastor of that church, Dr. George Davis.

President Johnson worshiped regularly at the National Christian Church and found great comfort in both the thoughtful and moving sermons of Dr. Davis and in his personal relationship with him as a great individual American. Among the high points of the ceremonies were the Scripture readings presented by Hon. Patricia Harris, former Secretary of Health, Education, and Welfare, and by Hon. Marvin Watson, former Postmaster General of the United States. I was privileged to present Congressman CHARLES BENNETT, the speaker for this occasion, attended by a large and overflowing crowd. It was fitting that Congressman CHARLES BENNETT speak to the congregation because there are many similarities in his background and in President Johnson's background. Congressman BENNETT is chairman of the Sea Power Subcommittee of the House of Representatives and President Johnson once served on this equivalent committee when he was in the Congress. Congressman BENNETT's grandfather, Dr. George Broadhurst, was a contemporary pastor alongside Dr. Alexander Campbell, who was the founder of the present-day Christian Church. Congressman BENNETT's grandfather founded and served as president of the Midway College in Kentucky and President Johnson's

great-grandfather, Dr. George Washington Baines, was founder and president of Baylor University.

The address by Congressman BENNETT was impressive and thoughtful, and I wish to include it herewith in the RECORD for the benefit of the Members:

SPEECH OF CHARLES E. BENNETT AT DEDICATION OF PRESIDENT JOHNSON'S WINDOW IN THE NATIONAL CITY CHRISTIAN CHURCH, MARCH 15, 1981

It is wonderful to be here together this afternoon to dedicate this beautiful window in memory of Lyndon Baines Johnson, the 36th President of the United States; and also to honor his beloved pastor here today, Dr. George Davis.

As a Congressman from Florida, this is my church when I am in the Washington area. Many times I have sat only a few seats apart from President Johnson and his family as we listened to the stirring and inspirational sermons of Dr. Davis. The three of us treasured our brotherhood. In the tradition of this church, we were not merely members of a church but brothers.

As we sat here one Sunday morning I thought to myself that this church where President Johnson worshipped ought someday to have a memorial window to him and to the other President who worshipped in this congregation, President James A. Garfield. Shortly after the death of President Johnson, I approached the pastor about this and tendered the first contribution to the project, which others have so sacrificially augmented to the successful conclusion we celebrate today.

I have just spoken with Jack Valenti, who in his splendid book about the President entitled "A Very Human President", said of President Johnson "he detached himself from any dogma; indeed, found rigidly-fixed doctrine as unappetizing in religion as in politics."

This is the essence of the belief of the Disciples of Christ. We Christian Brothers believe as the founder of our brotherhood, Alexander Campbell believed, when he said:

"God now speaks to us only by His word. By his Son, in the New Testament, he has fully revealed himself and His will. This is the only revelation of His Spirit which we are to regard."

Alexander Campbell also said:

"Religion is the development of a man's moral and spiritual obligations to God; morals, his duties and obligations to man; and politics, his duties and obligations to the state or social compact in which he lives and moves and has his being."

"A temporizing politician is bad; an equivocal moralist worse; but a compromising Christian, worst of all."

It would be presumptuous for any mortal to select which religious principle has the most significance to human behavior. But this has been answered for us by Christ when the Pharisee lawyer asked of him: "Teacher, which is the great commandment?" The Scriptures record the answer in Matthew 22, verses 37-40:

"And he said unto him: Thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind. This is the great and first commandment. And a second like unto it is this: Thou shalt love thy neighbor as thyself. On these two commandments the whole law hangeth."

President Johnson steadfastly upheld those commandments; for he loved God and he loved his neighbors; and his neighbors

were world wide. He showed the love he had for God in the way he lived and in his going to God in prayer in all of the major decisions of leadership. He showed his love for his neighbors in his warm affection for all mankind, not only the needy and others in America but on foreign shores as well.

President Johnson said: "As long as I am President, I have one resolve. Before I leave, I am determined to do things that will make opportunities better for ordinary Americans, and peace in the world more secure." he did both.

Few Presidents have come close to the record of President Johnson in securing from Congress the passage of landmark legislation. To name a few: medicare, aid to education, the Department of Housing and Urban Development, a fair immigration law, bills for senior citizens, a National Crime Commission, drug controls, the antipoverty program, highway beautification, clean air and clean water legislation and important civil rights legislation, such as the voting rights bill.

I was glad to support the President in major legislation in these areas. Some of these were unpopular at the time among many of my constituents; and the President used to call me and talk with me about some of them. Knowing how busy he was I never called him but I did write him about my affirmative vote for the voting rights bill and his splendid leadership in presenting this issue to the country. I treasure his warm note of response: "Your letter was a bright and happy event in my day."

The President's speech on March 15, before the joint session of Congress on this issue was outstanding. He said:

"I speak tonight for the dignity of man and the destiny of democracy. There is no constitutional issue here. The command of the Constitution is plain. There is no moral issue. It is wrong—deadly wrong—to deny any of your fellow Americans the right to vote in this country. There is no issue of states' rights or national rights. There is only the struggle for human rights. This time, on this issue, there must be no delay, no hesitation, and no compromise with our purpose."

In this effort the President was quite consistent with the political leadership of Alexander Campbell, about a century and a half before. Then Campbell was serving in the Virginia Constitutional Convention of 1829-30 (serving there with James Madison, James Monroe, John Marshall and other patriots). He opposed limiting suffrage to the wealthy saying that this right "is not a right derived from or confined by society, for it is a right which belongs to him as a man." "It is a right natural and underived, to the exercise of which every man by nature has as good a reason as another". Incidentally, when Campbell was asked how he justified himself, as a preacher, running for this office of delegate, he replied that he did so to lay "A foundation for the abolition of slavery".

That was a courageous thing for a Virginian to say while running for office in 1829. It was similar to the courage and leadership of President Johnson for civil rights sought under the even more trying circumstances of an inflamed and turbulent society in the 1960's.

Before I conclude, I would like to pay special attention to the President's love of his family, fully represented here today. They were always supportive of him and deserve great credit for their part in his achievements. Of his wonderful wife Lady Bird he

said: "I outmarried myself. She is my strength." On another occasion he said "I have everything I want . . . I have got the best family a fellow could ever have. Everything is perfect. We never have a cross word in our family."

The President had a lot of idealism in him. Some laughed when he spoke of the quest for the great society. I am reminded of my own mother's admonition when she sent me off to college: "Never set for yourself small goals". When the President spoke at Ann Arbor that day in May, defining the great society, he said "It is a place where men are more concerned with the quality of their goals than the quantity of their goods."

So as we dedicate this beautiful window let us send up a prayer of thanksgiving that God gave us great preachers like Alexander Campbell and George Davis; and that God let us enjoy the wisdom, courageous leadership and the idealism of the great President Lyndon Baines Johnson.

REAGAN'S POLICY IN EL SALVADOR THREATENS PEACE

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

Mr. WEISS. Mr. Speaker, President Reagan has increased U.S. military involvement in the conflict in El Salvador, recklessly describing it as part of a Soviet-inspired conspiracy, even though most of the world sees it as civil strife; a struggle for economic and social justice which has been going on for more than 50 years. Since Archbishop Oscar Romero was assassinated while celebrating Mass on March 23, 1980, an estimated 14,000 Salvadorans and 8 Americans have been killed in El Salvador.

Alleging Soviet manipulation of this civil strife may have been intended to generate domestic support for the President's proposed vast increases in defense spending. In fact, these vacillating charges have damaged America's credibility and undercut our efforts to achieve world peace through negotiation.

Mr. Reagan took exception during the Presidential campaign at suggestions that his policies would lead the Nation into war. Yet less than 2 months after he took office, we face the very real possibility of Americans being involved in hostilities in Central America. The U.S. role in El Salvador should be to seek a negotiated settlement of longstanding differences. Instead, President Reagan has escalated the U.S. military presence there and warned that America will continue to flex its muscles in this hemisphere.

It is foolhardy to believe that any amount of U.S. military equipment and advice can resolve this deeply rooted civil strife. I urge the President to turn away from his wrongheaded U.S. military involvement in El Salvador.

OUR POLICY IN EL SALVADOR MAKES NO SENSE

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

Mr. FRANK. Mr. Speaker, the American administration in El Salvador makes little sense either politically or geopolitically. We are intervening in a situation by signaling to one faction of the governing junta that all they need do is say the magic words, "We are anti-Communists," and no further examination of their policy is needed.

We are giving the signal that automatically you can commit American interests and American military power and American money simply by muttering those words.

Mr. Speaker, the policy there is not simply immoral, it is not likely to work, because I believe if I were a member of the guerrilla movement trying to overthrow the Government of El Salvador, I would be more in favor of the American policy than I think almost anyone else. Because what we are doing is strengthening precisely that wing of the Government that is most likely to generate opposition, most likely to build up the opposition side. It is a policy that makes very little sense. It is not in our interest, and the time has come to stop it.

U.S. POLICY IN EL SALVADOR CONDONES VIOLENCE

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

Mr. MARKEY. Mr. Speaker, over 13,000 deaths have been reported in the past 15 months in El Salvador, a country just larger than my own State of Massachusetts. A majority of these deaths have been attributed to the rightist government in power since 1979. The El Salvadoran Government, which the United States supports both with military aid and economic aid, is clearly incapable of controlling the brutality of its own armed forces—forces whose tactics include terrorism, torture, and murder—even of American religious workers. U.S. assistance to El Salvador serves only to condone and to encourage this deplorable activity.

The violence in El Salvador is civil violence. A strong U.S. military presence will heighten the volatile situation in Central America and will push us closer to an unnecessary military confrontation.

Mr. Speaker, our position should be one of neutrality; our goal should be to achieve a political and humanitarian solution to this crisis; our hope is that a lasting peace may come to the people of El Salvador—so that they

may again have a life-free of terror. Thank you.

MULTILATERAL DEVELOPMENT AGENCIES

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

Mr. PATTERSON. Mr. Speaker, I am introducing today, by request, two bills to authorize continued U.S. participation in the World Bank, the Inter-American Development Bank, and the Asian Development Fund, and for U.S. membership in the African Development Bank. These bills have broad bipartisan support. This legislation has been endorsed by the Carter and the Reagan administrations and cosigned unanimously by the entire membership of the Subcommittee on International Development Institutions and Finance.

We agree with the Reagan administration that this authorizing legislation should be enacted in order to honor the agreements the United States has negotiated with other governments. We need to have a strong, effective, and dependable foreign policy. We cannot have it if other countries cannot rely on the United States to stand behind its international agreements every time there is a change of governments.

Our subcommittee plans to undertake a careful, thorough examination of the costs and benefits of the multilateral development agencies. It has been 35 years since the World Bank was founded, 20 years since the International Development Association was created. We agree with the Reagan administration that there needs to be a hard look at the merits of these programs once Congress adopts the basic legislation to continue our participation in the multilateral agencies. The Reagan administration is planning to report the results of its current analysis of these programs within a few months. Our committee study will probably take the rest of the year or more. I ask my colleagues to lend their support to this legislation. Letters from both the Carter administration and the Reagan administration supporting the legislation follow:

WASHINGTON, D.C.,
January 17, 1981.

HON. THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There are transmitted herewith two draft bills "To provide for continuing participation by the United States in the International Bank for Reconstruction and Development, and for other purposes" and "To provide for continuing participation by the United States in the International Development Association, to provide for United States participation in the African Development Bank, and for other purposes." Summaries of each bill, which

also outline the importance of the legislation, are enclosed.

It would be appreciated if you would lay the proposed bills before the House of Representatives. Similar proposed bills have been transmitted to the President of the Senate.

On January 15, 1981, the Office of Management and Budget advised that enactment of these legislative proposals would be in accord with the program of the President.

Sincerely,

G. WILLIAM MILLER.

WASHINGTON, D.C.,
March 10, 1981.

HON. THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: On January 17, two draft bills were transmitted to the Congress "To provide for continuing participation by the United States in the International Bank for Reconstruction and Development, and for other purposes" and "To provide for continuing participation by the United States in the International Development Association, to provide for United States participation in the African Development Bank, and for other purposes."

The Administration has reviewed this draft legislation within the context of projected foreign aid budget levels. The need for a tightly disciplined national budget and the importance of the multilateral development banks both to the international economic system and to overall U.S. interests were carefully assessed.

As a result of the review, the Administration is requesting prompt and favorable Congressional action on the two draft authorizing bills. The bills are a high priority element of the Administration's foreign economic assistance program. They are an integral part of our efforts to establish a strong and coherent foreign policy in partnership with our allies. Authorization of the full amounts requested is essential to this effort. It will demonstrate the intention to reassert U.S. leadership in our international relations. In the case of the International Development Association, authorization of the full U.S. contribution is required before the Sixth Replenishment agreement can become effective. It would therefore be appreciated if you could undertake the necessary steps to assure that this proposed legislation receives prompt consideration by the House.

While the overall amounts of the authorization requests for the banks have not been changed, U.S. funding for the multilateral banks has not been exempted from the President's budget reduction program. The Administration is recommending that contributions and subscriptions on the major elements of the authorization requests be made over a longer period of time than was envisioned in the budget submitted by the previous Administration. Specifically, the Administration is requesting funding for U.S. subscriptions to the General Capital Increase of the World Bank over six years (fiscal years 1982-1987) instead of seeking funding for the full subscription in fiscal year 1982. We are also seeking graduated appropriations (\$540 million, \$850 million and \$1,850 million in fiscal years 1981-83 respectively) for the U.S. contribution to the Sixth Replenishment of the International Development Association instead of \$1,080 million in each of those years.

The funding adjustments recommended by the Administration will cause programming problems for the banks. These adjustments are necessary, however, to enable the United States to carry out internationally negotiated agreements at the lowest possible cost.

The Office of Management and Budget has advised that the enactment of these legislative proposals would be in accord with the program of the President.

Sincerely,

R. T. McNAMAR,
Acting Secretary.

PARLIAMENTARY INQUIRY

Mr. KRAMER. Mr. Speaker, I have a parliamentary inquiry.

Are we still proceeding under the normal rules for 1-minute speeches?

The SPEAKER pro tempore (Mr. DANIELSON). The Chair will advise the gentleman from Colorado that recognition at this time is within the total discretion of the Speaker.

The House is proceeding under the 1-minute practice.

The gentleman will be recognized.

The Chair assures the gentleman that he will be recognized.

U.S. POLICY IN EL SALVADOR SHOULD CHANGE

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

Mr. EDGAR. Mr. Speaker, I would like to thank each Member of the House who has come over to share a 1-minute speech on the issue of El Salvador. My colleague, GERRY STUDDS, and my colleague, BARBARA MIKULSKI, and I spent 10 days in Central America struggling with the issues of what to do about not only El Salvador but Guatemala, Honduras, Nicaragua, and Costa Rica.

I would like to share with the House at this time 25,000 people who took 1 minute to say that they want the U.S. policy in El Salvador to change. They recognize the indigenous nature of the revolution, they recognize the role of Catholic liberation theology at work, and they recognize the fact that no military solution is possible in El Salvador and that the United States ought to use its good office to seek a political solution.

I intend to share these 25,000 petitions with the Speaker of the House, and I have asked the Speaker of the House to share them with the President of the United States. The United States should get out of El Salvador and seek a political solution, not a military solution of that conflict.

Given the minidebate within the executive branch as to whether or not the media are now giving too much attention to El Salvador, I hope the real issue will not be lost in all the verbiage—the fact that innocent civilians are losing their lives every day while

the United States continues to arm the very military responsible for much of the carnage. Sending military equipment to El Salvador will not solve the basic inequities or necessity for economic and social reforms in that country, where delayed solutions can only further strengthen the opposition forces.

Although military victories are dramatic and speedier, the United States must contribute its good offices toward a political solution instead. A negotiated settlement, while difficult to achieve, will be a more enduring victory than one imposed by guns. I hope that our Government will place continuous pressure on the Salvadoran military to reform itself before its too late. In addition, the administration should be very careful about sending signals subject to misinterpretation at the other end, and likely to bolster the position of the reactionary elements in the military. The Salvadoran Army's interpretation of our policy is as important as the policy itself.

Furthermore, let us not fall into the trap of assuming that all opposition to the current Salvadoran Government is Communist inspired, but realize that there are legitimate demands for a change in the status quo. We must use the force of our diplomacy constructively to help produce long-needed reforms and give hope to those living daily in despair. Let the death of six Americans not have been in vain.

I urge my colleagues to join us in stopping military assistance to El Salvador while continuing the U.S. effort to prevent military intervention from other countries as well.

PROPOSED CETA DEFERRALS

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

Mr. HAWKINS. Mr. Speaker, I rise to speak on the subject of the proposed CETA deferrals which the President announced in his message to Congress on March 10, 1981. It is my intention to oppose the deferrals in title II(d), welfare demonstration program, summer youth, YACC, and research and development and evaluation. To that end I am introducing today a resolution which would disallow these deferrals.

While I will also oppose the CETA PSE title VI rescissions at the appropriate time, today, because of time constraints, I will limit my comments to only the deferrals of title II(d) PSE.

There exists a great urgency in dealing with the President's deferral message as it relates to title II(d) due to the fact that a great many CETA primes find that the new and reduced allocation levels leave them with absolutely no funds with which to continue their II(d) programs beyond March 17.

While these primes were informed by DOL that the expense of giving the customary 2 weeks' termination notices would be covered by the Department, the message is clear that the program will be terminated immediately.

In the case of the city of Los Angeles alone, this means that on March 17 a total of 3,000 termination notices were sent out. Of this total, 1,300 went to persons involved in training and employment programs operated by 29 community-based private nonprofit organizations. All participants were drawn from the structurally unemployed, and 52 percent were hired off local welfare rolls.

For other cities the situation is not much better, and within a few months it is estimated that the title II(d) program will be virtually nonexistent. At the same time, the unemployment ranks will be so inflated by this anticipated action that the Department of Labor has reserved \$245 million of its CETA funds to cover the UI liability created by the termination of the PSE titles II and VI programs.

Mr. Speaker, the fact that the President's proposals are tantamount to ending programs sanctioned by Congress, without any congressional review is reprehensible; but this coupled with the fact that the programs he is cutting means the difference between hope and desperation for millions of Americans is unacceptable.

Mr. Speaker, I would ask my colleagues to support the early adoption of the resolution which I am introducing today so that we might forestall the action already taken by the administration and act in time to save a program which has proven successful and responsive to the needs of the unemployed.

WE SHOULD NOT BE IN EL SALVADOR

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

Mr. FITHIAN. Mr. Speaker, I am here for just 1 minute today to remind my colleagues in the House that the United States of America historically has not been able to be the policeman of the world, that the United States historically and certainly today cannot be the banker for the world. And those two prerequisites for policy would argue persuasively, I believe, for reviewing the revising of our policies in El Salvador; for not only is the policy wrong on morality principles, but it is wrong on yet another front. It is wrong because it is not an area of vital interest to the United States. It is not the Middle East where the oil comes from, it is not Japan and China on the littoral of Asia, it is not three

or four other areas, such as NATO, where the stakes are very, very high and where our national security is very keenly at work and tested.

On that ground alone, we should not be in El Salvador.

MARKUP OF EDUCATION AND LABOR REPORT A FRUSTRATING EXPERIENCE

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

Mr. DENARDIS. Mr. Speaker, I positioned myself here 55 minutes ago to speak on an education and labor matter, and I want to say, for the record, that my associates on the minority side of the aisle, who were here promptly at 3 o'clock, have had to wait, I would say unnecessarily and unfairly long, to have our opportunity to speak. And we ought to look at the rules again if the rules do not cover this sad situation.

Mr. Speaker, the House Education and Labor Committee, or at least the majority members, are congratulating themselves today for the committee's report to the Budget Committee which not only sustains the same high levels of spending for fiscal year 1982 for the items within the committee's jurisdiction, but actually adds \$1 billion for impact aid that even former President Carter did not recommend.

This has been my first markup as a Member, and, quite frankly, it has not only been a frustrating experience, but a downright disappointing one. The praise by and for the majority of this supposedly courageous act is really fatuous self-congratulations for a mindless act of maintaining a totally unrealistic level of spending.

Mr. Speaker, we have abdicated our responsibility and washed our hands of the opportunity to make a constructive input on matters that we know best.

DR. LEON SULLIVAN—A BEACON OF HOPE ON EQUALITY

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

Mr. PURSELL. Mr. Speaker, I want to take this time to indicate to my colleagues that Dr. Leon Sullivan, known principally as a world leader in bringing about equality in South Africa through his famous Sullivan Code, was a special guest of mine today. I introduced him to our Subcommittee on South Africa.

Dr. Sullivan and I have proposed the formation of a group of congressional leaders who are sensitive and concerned about matters in Africa with respect to our foreign policy. Those of us who have been to South Africa

should constructively offer solutions in achieving equality in job opportunities, wages, promotion, housing, educational training, and most of all promoting the basic principle of one man one vote.

I have asked Dr. Sullivan to testify before the appropriate House committees to report on the progress, or the lack of progress, in bringing about a high record of compliance with respect to the Sullivan Code.

I personally believe that the United States would be best served if we also encourage and dramatically support the successful leadership of Prime Minister Robert Mugabe of Zimbabwe as he leads an orderly transition of power to majority rule in a country adjoining South Africa.

Zimbabwe's success will have profound impact on South Africa's present repressive government, which does not allow blacks to vote even though they are 90 percent of the population. Zimbabwe will demonstrate to the world that majority rule will work. Ian Smith has asked his followers to support the present government. White farmers such as Parliament leader Andrea Holland indicated to our congressional Subcommittee on Foreign Operations that they want to stay and continue to be productive citizens.

The United States, both the administration and the Congress, must support Zimbabwe's historical transformation in order to gain respect in all the countries of Africa as well as promote our basic principles of representative government in a free society.

Dr. Leon Sullivan has been a beacon of hope in demonstrating our aspirations. I should also mention his leadership as chairman of the board for the "OIC" Corporate Communications Group. This volunteer, self-help community-based effort now numbers over 3,000 projects, which train and develop skills for disadvantaged young people.

This magnificent program strengthens the very core of our country. Every child has a talent and a gift. As the author of the gifted and talented legislation, I too, believe we must be positive and concentrate on the potential of every young person as a contributing individual within our great Nation. Dr. Sullivan serves as the pastor of the Zion Baptist Church in Philadelphia and is a board member of General Motors. We all applaud his enormous contributions toward improving the quality of life in all parts of the world.

Again, I am pleased to be a personal friend and his host in Washington today.

TRIBUTE TO FORMER CONGRESSMAN THOR TOLLEFSON

(Mr. MORRISON asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. MORRISON. Mr. Speaker, today the Washington State Legislature is meeting in a joint session to honor former Congressman Thor Tollefson. I rise to join them in honoring a man who distinguished himself in 18 years of service in this Chamber, and then went on to further service at the local, State, National, and international levels.

Thor Tollefson was first elected to Congress in 1947 representing Washington's Sixth District. He served in Congress until 1965 when he left to return to the State of Washington after having served as the ranking member on the Merchant Marine and Fisheries Committee.

Upon returning home, he was appointed director of the Washington State Department of Fisheries by Gov. Dan Evans. He went on to serve as a member of the U.S. State Department Fishery Advisory Committee which advised the State Department on fishing problems involving foreign nations. He served as one of the commissioners of the Pacific Marine Fisheries Commission and also a member of the Interagency Committee on Outdoor Recreation.

Now retired, Thor Tollefson has spent a lifetime in public service—going where called—serving where needed. I am pleased to join the Washington State Legislature in honoring a colleague who has given so much to the people of this Nation.

□ 1545

FULL STEAM AHEAD FOR COMMITTEE ON EDUCATION AND LABOR

(Mr. KRAMER asked and was given permission to address the House for 1 minute.)

Mr. KRAMER. Mr. Speaker, although budget cuts have been proposed for Conrail and Amtrak, another Government-run railroad was moving ahead under a full head of steam yesterday. In a series of straight party-line votes, the Education and Labor Committee, which has never been known for its fiscal sanity, ignored the national mandate for Federal belt tightening and recommended that the budget authority for programs under its jurisdiction be increased by a whopping 27.4 percent. Not only did Democrats on the committee refuse to go along with any of the specific cutbacks recommended by President Reagan, they even increased the Carter administration's recommendations by more than \$4 billion.

Mr. Speaker, the American people will not tolerate business as usual in Washington. They are looking to their elected representatives to make the hard decisions that will result in lower

inflation and interest rates. Those in this body who continue to listen more to the special interest groups than to their constituents are likely, in 1982, to find that the steam locomotive they jumped on board yesterday is a one-way ticket back to their districts.

RAILROAD UNEMPLOYMENT INSURANCE BILL

(Mr. PETRI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. PETRI. Mr. Speaker, I would like to associate myself with the remarks that the gentleman from Connecticut (Mr. DENARDIS) made earlier today concerning today's procedure.

Mr. Speaker, I have introduced H.R. 2374, a bill which would bring unemployment benefits paid to railroad workers in line with State unemployment benefits. The purpose of this legislation is to see that railway workers are not receiving less compensation than they would be eligible to receive were they covered by the State's unemployment compensation formula.

In my own State of Wisconsin, for example, the maximum unemployment compensation currently paid is a weekly benefit of \$166. This compensation is for workers whose weekly wage exceeded \$331. In the case of unemployed railroad workers, the nationwide maximum weekly benefit is \$125, while the weekly base pay is in excess of \$400 for well over three-fourths of the claimants.

The 1975 amendments to the Railroad Unemployment Insurance Act made the last modifications and improvements in the existing nationwide benefit structure. These amendments were based on the joint recommendations negotiated by railway labor and management. I would strongly encourage discussion between labor and management to effect improvements in the unemployment and sickness insurance program, and I believe that H.R. 2374 is a positive step in that direction.

Mr. Speaker, the text of the bill is as follows:

H.R. 2374

A bill to amend the Railroad Unemployment Insurance Act to provide that the maximum daily benefit will be the daily equivalent of the maximum weekly benefit payable under State unemployment compensation law

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 2 of the Railroad Unemployment Insurance Act is amended—

(1) by striking out "\$25" and inserting in lieu thereof "\$25 (or if greater, the daily equivalent of the State maximum weekly benefit)", and

(2) by adding at the end thereof the following:

"For purposes of this subsection, the daily equivalent of the State maximum weekly

benefit is one-fifth of the maximum amount of unemployment compensation which could be paid under applicable State law to a totally unemployed individual for the week in which occurs the day for which benefits are being paid under this Act. For purposes of the preceding sentence, the applicable State law is the unemployment compensation law of the State in which the employee has his principal place of abode."

(b) The amendments made by subsection (a) shall take effect on the first day of the first month beginning after the date of the enactment of this Act.

BUDGET RESOLUTIONS SHOW INCREASES FOR COMMITTEE STAFFING

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

Mr. COLLINS of Texas. Mr. Speaker, today the House Administration Committee took final action on staff committee budget resolutions for this session of the 97th Congress. These bloated, inflated budgets do not measure up to their promises.

Budget resolutions approved by the House Administration Committee total \$42,886,562. This figure is much higher than last year's total expenditures of \$39,971,551. Overall, the committees are spending more of the taxpayers' money than last year.

Compare these 1981 proposed budgets with 1980 expenditures: Ways and Means budget, as brought out of the House Administration Committee, is \$2,450,782—a 27-percent increase over the amount spent in 1980—which was \$1,928,611. The Committee on Government Operations budget which will come to the floor for a final vote is a whopping \$2,461,885, an 18-percent increase over the 1980 expenditures. Agriculture, District of Columbia, Education and Labor, Foreign Affairs, Interior and Insular Affairs, and Rules: All of these committees have increased their budgets by 16 percent over last year's costs. The stark facts are that the liberals in the House are still big spenders.

The American people are watching closely the spending patterns being set by the 97th Congress. The clear message from the last election was to cut the cost of the Federal Government.

When the investigative staff budget is combined with the statutory House budget it gives a total House staff budget of \$67.5 million. I urge my colleagues to vote down these unjustified spending increases and to recommit the resolutions for true cuts. Our ideal total staff budget goal should be \$41.7 million and not the overloaded total submitted by the Democrats. Instead of \$67.5 million of budget staff we should ask for \$41.7 million. The statutory is already approved so we must cut this investigative.

COMMITTEE ON EDUCATION AND LABOR WOULD INCREASE SPENDING AUTHORITY FOR 1982

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

Mr. LATTA. Mr. Speaker, for weeks now—as we have prepared to address the critical questions before us on the economy and Government spending—the bipartisan watchwords have been consensus and cooperation. Consensus that the huge rise in Federal spending cannot continue and must be brought under control. Cooperation between the White House and the Congress in working to achieve these goals. Cooperation on a timetable for completing action on cuts in spending and taxing. Apparently, however, the Democrats on the Committee on Education and Labor do not yet realize we are confronted with critical economic and fiscal problems. They have just recommended—not a reduction in spending for 1982—not even a slowing down—but a 75-percent increase over the spending authority requested by President Reagan. The majority Democrats—voting as a bloc—have raised the President's request from \$24 billion to \$42,785 million—an increase of over \$18 billion. Amazing. Disappointing. But not entirely surprising.

Mr. Speaker, I hope that when the Budget Committee takes up this recommendation, it will think of all the American people and act more responsibly.

A TRIBUTE TO THE LATE HONORABLE JACOB H. GILBERT

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

GENERAL LEAVE

Mr. ADDABBO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the life, character, and public service of the late Honorable Jacob H. Gilbert.

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

There was no objection.

Mr. ADDABBO. Mr. Speaker, I have taken a special order today to pay tribute to the Honorable Jacob H. Gilbert of New York, who passed away on February 27, 1981, at Columbia Presbyterian Hospital in New York City. Jack was 60 years old when he died, a victim of a yearlong struggle against cancer.

Jack served 10 years in this House from 1961 to 1970. Previously he had served for a decade in the New York State Legislature.

In the 10 years that Jack served in this body, he distinguished himself as an influential and knowledgeable member of the House Ways and Means Committee, and all the committees he had served on. At a time when the Committee on Ways and Means was ruled by Wilbur Mills, a Member—especially a senior Member like Jack Gilbert—had no option but to be on top of the issues before the committee. The Ways and Means Committee during that decade passed some of the most landmark tax legislation in this country's history. That was a committee that provided the money to enact the Great Society's social programs that were to change the way America responded to its domestic inequities. Jack Gilbert played a major role in that episode. It was then that he established his overwhelming concern for the truly needy of this country, the aged, the young and disadvantaged, the handicapped, and the ill. It was a concern that haunted him until his death.

Jack was an energetic Member of this House who will long be remembered by those who served with him in that period for his work on behalf of the city. Although this was before the city fell into the fiscal crisis that was to block its credit in 1975, Jack was one of the first to notice that the city was living far beyond its means. He sought to bring some stability into the city's spending habits, while stemming the flow of business and residents from the outer boroughs. He was especially concerned about his beloved Bronx, where he had been born and where he lived until he died.

Jack first got into politics as a youngster who went ringing doorbells for the local Democratic club and who kept it up as he worked his way through college and law school. He was, by all definition, one of the better lawyers who served in this House. He felt little remorse in returning to the practice of law in 1971 after leaving the House of Representatives. It was, he used to say, one of the more enjoyable ways to earn a living because the practice of law involved dealing with people and dealing with the legal statutes which could not be manipulated.

Jack and Irma Gilbert were my good friends during the 21 years that Mrs. Addabbo and I were privileged to share with them. Jack and I were close during our years of service here together and we remained good friends until his death. His going leaves a void in my life and I shall miss him deeply.

But it is probably more important that we remember him for the work that he did while he was serving here. To the people he represented Jack Gilbert stands as a man who cared first for them and second about the politics of a thing. To me, that is just one of the things that made him so unique among the many people who

have served here. My prayers are with his wife, Irma, his daughters Miriam and Sandra, and his son, Samuel. They miss him most of all.

● Mr. BINGHAM. Mr. Speaker, I am grateful to our colleague, Mr. ADDABBO, for arranging this time for us to pay tribute to our former colleague, the late Jack Gilbert.

My own contact with Jack goes back to the middle 1950's when he served in the New York State Senate and I was secretary to the Governor, Averell Harriman. During the years 1965 to 1970, we served in the House together. While we were not on any of the same committees, we worked jointly on many matters of interest to the Bronx.

It was always a pleasure to work with Jack and to spend leisure hours together. He was always obliging and helpful, and, indeed, was the New York member on the Committee on Committees who arranged for me to go on the Foreign Affairs Committee in 1969.

Jack was a true New Yorker, born in the Bronx, educated at St. John's College and Law School, and a member of the city and State governments before he was elected to Congress. He served for 10 years in the New York State Legislature before winning election to Congress in 1960. He was an enthusiastic supporter of President Kennedy during his early years in Congress, and later an active force in shaping Great Society programs of the Johnson administration. He was a strong supporter of organized labor and fought hard for increases in the minimum wage. He pushed continually for improvements in the working conditions and rewards for civil servants and postal workers. He was an early advocate of comprehensive medical care for senior citizens and later an active supporter of the medicare program enacted in 1965. I also admired his early support for civil rights legislation and public housing. Jack compiled a record to be proud of in his 10 years in the House of Representatives.

My wife and I extend to his wife, Irma, and to his two daughters our deepest sympathy in their loss.●

● Mr. ROSENTHAL. Mr. Speaker, on Friday, February 27, I learned with much sorrow of the death of Jack Gilbert, who had been a Member of Congress from New York some years ago, serving for about 10 years as a Representative from the Bronx.

Jack was born and raised, and lived all his life in the Bronx. He came from a strongly Democratic background, and at an early age was out campaigning for Democratic candidates from his area. He was an active member of his local Democratic club, as was his mother before him, and his political activities eventually lead him to the position of assistant corporation counsel in New York in 1949. He went on to win a seat in the New York State As-

sembly, and in the New York State Senate, where he served with distinction for almost a decade. He subsequently came to Congress with legislative experience gained through that service, and he brought with him a keen desire to continue his service to his constituency and his country. Because of his previous work in the State legislature he was a natural for assignment to the influential Committee on Ways and Means, and devoted his time and energy within that committee toward developing some of the most important tax legislation enacted during that period. And he was especially proud of his accomplishments in effecting increases in social security benefits.

When I came to the House in 1962 Jack had already been here for several years. As members of the same congressional delegation we were closely associated with one another, and that was when Jack demonstrated to me his willingness to do for others. He was extremely helpful to me, as he was to everyone; he gave unstintingly of his time and counsel; and that is when I learned what a good friend really was.

He will be sorely missed by all of us who were privileged to know him and to have served with him, but he will be remembered with much affection. He was a good and decent man.●

● Mr. RODINO. Mr. Speaker, I want to express my sadness at the death of a friend and former colleague, Jack Gilbert. As the Congressman from the Bronx for 10 years, Jack Gilbert brought honor to this House by his integrity and dedicated service to the people of New York.

His intelligence, warmth, and wit gained him many friends and admirers in the House, and his hard work on the Ways and Means Committee was widely respected. Jack was an outstanding attorney who devoted his energies to securing basic rights and a better life for the millions of Americans on the lower end of the economic spectrum. His efforts in Congress to increase social security benefits will help millions of Americans for years to come.

I join my colleagues in mourning the loss of a dear friend, and I extend my deepest sympathies to Jack's wife, Irma, and the rest of his family.●

● Mr. GILMAN. Mr. Speaker, I want to thank the gentleman from New York (Mr. ADDABBO) for arranging this time this evening so that we may pay our respects to our former colleague, the gentleman from New York, the Honorable Jack Gilbert, who passed away on February 27.

Jack Gilbert represented the 22d Congressional District of New York in this body for 10 years. His constituents in New York State are joined by

all of us in the Congress in mourning Jack's death.

Jack will long be remembered not only in New York but across the Nation for his role in expanding social security benefits during his service on the Committee on Ways and Means. Truly, this man brought to the Congress a concern for all Americans as well as a deep sense of duty to his district and his State.

Congressman Gilbert left the House of Representatives shortly before I came to serve in this body, but I knew Jack and profited from his friendship and association while working with him on matters of mutual interest and concern in the New York State Legislature, where we both served.

I join my colleagues this afternoon in extending to the Gilbert family, his wife, Irma, his daughters Miriam and Sandra and his son, Samuel, our condolences for their loss, and our thanks for his 20 years of service to his State and Nation that will not be quickly forgotten.●

● Mr. STRATTON. Mr. Speaker, I was saddened the other day to learn of the passing of our former colleague from New York, Jack Gilbert, who represented the southeast Bronx in this House for nearly a decade, and did it with distinction, not to say *panache*.

Jack Gilbert served with great skill on the Ways and Means Committee, and was especially interested in social legislation. After leaving Congress in 1970, following an extensive redistricting that took place that year, Jack continued to maintain his interest in legislative matters, and maintained a law office here in Washington. He was especially active on issues that would benefit New York State, and his own city of New York. Because of that interest I was privileged to keep in touch with him, and to seek his advice on a number of occasions, right down to the onset of his final illness.

We have missed Jack Gilbert in this Chamber in the 10 years since he left. And the people of New York State will also miss his wisdom and his remarkable legislative skills. To his wife Irma, and his three children, we all extend our deepest sympathy.●

● Mr. MINISH. Mr. Speaker, I was saddened to learn of the death of one of our distinguished former colleagues, the Honorable Jacob H. Gilbert of New York. His decade of service with us in the House of Representatives was just one phase of a lifetime devotion to the public interest, as a lawyer, a legislator, and a good citizen.

Many would call Jack Gilbert a workaholic, and it is surely true that great energy and hard work were among his most outstanding characteristics; but he was not driven by any compulsion. He was simply a man who loved his work, and loved it all the more because he saw himself as serv-

ing the people of America. Naturally he brought to it all the vigor and enthusiasm which were native to him. Jack's cheerful devotion to duty became a public asset as well as an inspiration to his colleagues.

Jack learned his politics in his native Bronx. He brought a lively concern for its people and their neighborhoods to his long career as a political volunteer, a corporation counsel, a member of both houses of the New York Legislature, and a Congressman. He took his title as "Representative" seriously, never thinking about programs or policies in an abstract vacuum, but always translating his votes into a sober judgment of how they would affect his people. Aply serving his own constituents, he took care to work as a spokesman for the ordinary citizen in Washington during the turbulent sixties.

Jack left Washington, but he did not slow down, plunging into the practice of law with characteristic zest. Not even a long illness could prevent him from pursuing his work to the very end of his life. That characteristic vitality makes the loss of this fine gentleman all the more dismaying. We might have hoped to benefit from Jack's experience and example for years to come.

I extend sympathy to Jack's wife, Irma, and his daughters and son, to whom he was conspicuously devoted. They can be proud of Jack's distinguished public record as well as his endearing personal qualities. I am glad to have had an opportunity to know Jack, who did a lot of good in this world.●

● Mr. CLAY. Mr. Speaker, I was deeply saddened when I received the news of the passing of my old friend, Jack Gilbert. Today, I am honored to join my colleagues in final tribute to a treasured friend and former colleague of many years, the late Congressman Jacob H. Gilbert.

Jack Gilbert was a man who dedicated his life to public service. He was a true statesman of a vanishing breed. Congressman Gilbert never needed to engage in spectacular events or exhibitions to draw the attention and applause of others. His unbiased judgment and unselfish thinking, consistently demonstrated in the work he performed as a Congressman, earned him the recognition of his peers. And, it was his genuine devotion to our country and its people, that made others aware of Jack Gilbert's skill and integrity. He consistently held the respect and admiration of all those whose lives he touched.

Congressman Jack Gilbert touched my life. I shall miss him very much, and I shall always treasure my memories of him. His family is in my prayers today.●

● Mr. FORD of Michigan. Mr. Speaker, I am deeply saddened by the recent death of my friend, Jack Gilbert. Jack

was a fine Congressman who took great pride in his work. He understood the legislative process well and used his skills to help pass important legislation which bettered the lives of the elderly, the poor, the handicapped, the young, and the disadvantaged.

Jack was an energetic and important member of the House Ways and Means Committee and his successful effort to increase social security benefits was perhaps the highlight of his congressional career.

Jack Gilbert was a good friend of mine while we served together in this House. I regret that he has passed away and I extend my deepest sympathies to his family.●

NATIONAL WILDLIFE WEEK: MARCH 15 TO 21

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. D'AMOURS) is recognized for 30 minutes.

Mr. D'AMOURS. Mr. Speaker, this week, March 15 through March 21, more than 15 million American citizens—conservationists, educators, and students—are participating in National Wildlife Week and affirming that "We Care About Oceans," this year's theme.

For 44 years, the National Wildlife Federation has sponsored National Wildlife Week in an effort to rally public support for programs to enhance our Nation's wildlife population, and this year, for the first time, this venerable organization has focused its theme on the sea. I urge my colleagues to join me in association with the National Wildlife Federation; Walter Cronkite, who is chairman of this year's observance; and more than 15 million Americans in sharing the responsibility of caring for our oceans.

For centuries man has relied on Earth's oceans for food, water, and oxygen. As the world's population continues to grow, we will become increasingly more dependent on the many resources our vast, but fragile, ocean environment can provide. In fact, estimates show that by the year 1990, 75 percent of this Nation's population will live within 50 miles of our sea-coasts. As our use of the oceans grows, it is critically important that we pay closer attention to protecting the quality of our marine environment. We cannot continue to abuse what may be our single most important natural resource.

Our oceans cover more than two-thirds of the Earth's surface and provide a home for about 90 percent of the life on this planet, yet there is still so little we know about them.

Our oceans provide us with about 60 million tons of food each year, and that is only a fraction of the amount

of food scientists predict we will someday reap from the sea through ocean farming.

Our oceans are a rich depository of minerals and organic compounds which man uses for a variety of purposes. Estimates show that there is enough copper on the ocean bottom to last the world 6,000 years, and enough nickel to last 150,000 years. About 99 percent of the world's bromine is found in the sea, along with substantial quantities of magnesium, cobalt, chlorine, iodine, calcium, silicon, phosphorus, and other minerals.

Our oceans have become an important source of oil and gas, and scientists are currently studying various other ways to tap the oceans' enormous energy potential through such techniques as tidal power and ocean thermal energy conversion. The Department of Energy estimates that 180 million kilowatt hours of power could be generated annually if the currents from the Gulf Stream along our east coast could be harnessed.

Our oceans provide us with 97 percent of the world's water supply, and about half of our life-supporting oxygen.

Our oceans are a source of pleasure for millions of people who pursue such sports as swimming, fishing, boating, and scuba diving. Such recreational pursuits have resulted in the growth of huge industries which provide the necessary equipment for these sports.

Our oceans are a bountiful resource valuable to us all regardless of whether we live on the coast or in a landlocked area. But this infinitely valuable resource on which our very existence depends is being recklessly endangered because of ignorance, greed, and careless treatment of our coastlines and our ocean environment. For years, we have treated our oceans as dumping grounds, polluting them with sewage, sludge, oil, radioactive compounds, toxic heavy metals, pesticides, and other chemicals on the cavalier assumption that their ability to absorb this garbage was endless. Moreover, and most unfortunately, the heaviest pollution has occurred on our Continental Shelf where most marine life is concentrated.

In recent years, we have begun to awaken and to take steps to curb some of the more obvious abuses which we are inflicting on our oceans.

But in recent months, we have seen signs of a reversal of some of the trends aimed at protecting our oceans. There are moves afoot to cut off funds and eliminate some of the very programs that have enabled us to make progress in protecting our seas such as coastal zone management, the coastal energy impact program, and the sea grant program. Other programs dealing with marine sanctuaries, estuarine sanctuaries, and public education efforts are also endangered by lobbies

and groups which seek to rape the sea for their own good with no thought for future ramifications.

We must be strong and fight these unfortunate efforts. We all must care about oceans. Our seas may just be our single most important legacy to future generations.

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

Mr. D'AMOURS. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Speaker, I commend the gentleman from New Hampshire (Mr. D'AMOURS) for taking the time to bring this subject to the attention of the Nation and to the House. This is a most important week, and I believe we should all participate in this observance.

Mr. Speaker, one of the most captivating and revealing photographs ever taken shows the Earth as seen from outer space. Taken by the crew of Apollo 17, while returning from a lunar landing, it is a view a space traveler would see as he approached the Earth for the first time. In viewing that magnificent sight, I am sure he would be taken back, as I was when I first saw the photo, by the rich expanse of blue water which dominates the view, a blue water, teeming with life, and supporting life, which makes our planet so different from the others in our solar system. It is a photo that while showing the beauty of our home, also shows the fragility and finiteness of our planet which we all must come to acknowledge if we are to insure the survival of mankind.

This week, millions of Americans, from border to border, and ocean to ocean, will participate in the 44th observance of National Wildlife Week. This year's observance has for the first time in history taken as its theme, "We Care About Oceans," to remind us how precious our oceans are and what we must do to preserve them.

As Americans, living in a nation surrounded on three sides by water, we cannot help but be cognizant of the many roles oceans have played, and will continue to play in our lives. As a nation of immigrants, untold Americans traversed wide oceans to come here to start new lives, their journey by boat never to be forgotten.

As a provider of food for millions of Americans as well as employing thousands of men and women along our shores, the waters that surround our country have become an important natural resource vital to our health and well-being. At a time when energy has become one of our Nation's utmost concerns, we have turned to the oceans to help us, today supplying us with oil and gas, and tomorrow yielding tidal power and ocean thermal energy conversion. Properly utilized and with the utmost respect to marine

life, the oceans will be able to help us meet our future energy needs.

It is obvious that there would not be a necessity of having a week dedicated to the survival of our oceans if they were not in serious danger. We have reached a point in our civilization where we must stop the needless and utterly senseless pollution of our seas. We have reached a point where we may have done irreversible harm to the waters which have helped insure our survival. Let us hope that "We Care About Oceans Week" will alert the people of the world that a bleak future of the oceans is a bleak future for mankind. If we continue on the path of abuse and destruction of our waters, then there may come a time when a space traveler, approaching our planet, may find a planet devoid of the rich blue water and devoid of life.

□ 1600

Mr. D'AMOURS. Mr. Speaker, I yield to the gentleman from Hawaii (Mr. AKAKA).

Mr. AKAKA. I thank the gentleman for yielding.

Mr. Speaker, I rise to express my strong support for the theme of National Wildlife Week—the importance of the ocean.

This is a subject which is very close to my heart, for as you know, my home State, Hawaii, is surrounded by water. We are, in fact, cut off from the continental United States by miles and miles of water.

To some, the ocean is a barrier. To others, it is dangerous and unpredictable and a source of destruction for beaches and shorelines. To others it is a source of food, of nourishment, and of life itself.

The ancient Polynesians viewed the ocean as a highway and as a source of food. While we still look to the ocean as a source of nutrition, her role in our lives has further expanded. Now, we look to the ocean as a new source of resources. We look to the ocean for new sources of energy. Already, in Hawaii we are researching and developing ocean thermal energy conversion technology, and technologies using wavepower and seaweed to produce energy. All of these potential sources of energy will play a key role in the development of island economies, and may be of critical importance to Third World nations. In the United States, it is conceivable that the States which front the gulf may someday rely on ocean energy to meet their energy needs.

A new and exciting use of the oceans is currently under study in Hawaii. An innovative and capable group of physicists is now at work researching a deep sea neutrino telescope. From their initial studies, they believe that the ocean may be one of the best places in the world to detect and measure the

movement of the elusive particle called the neutrino. In a recent article which appeared in *Scientific American*, authors John G. Learned and David Eichler describe the project this way:

High energy phenomena such as supernovas and X-ray double stars may emit a flood of neutrinos. An array of sensors shielded by 5 kilometers of water could selectively detect such particles.

No one in the world has ever built a neutrino telescope of the size that the research group in Hawaii would like to build. Furthermore, if the project is successful, this will be the first time that man has ever been able to detect the interaction of neutrinos emitted by distant stars in our galaxy. It will be the first time that stargazers will be able to study the neutrino as it relates to some of the remarkable phenomena of our universe, phenomena such as black holes, pulsars, and exploding galaxies.

Surely, the ocean is more than a source of food for us. The ocean is one of man's unexplored frontiers—a frontier for discovery of the unknown, and for use of the known to support man in his quest for a better life.

Indeed, no better theme could have been found for National Wildlife Week than that of the ocean.

Mr. Speaker, I include the article which appeared in *Scientific American* with my remarks in the RECORD:

A DEEP-SEA NEUTRINO TELESCOPE

(By John G. Learned and David Eichler)

Virtually everything astronomers know about objects outside the solar system is based on the detection of photons: the quanta of electromagnetic radiation. Yet there is another form of radiation that pervades the universe and may even dominate it: neutrinos. With no electric charge and negligible mass, the neutrino is an elementary particle that rarely interacts with other particles, so rarely that a neutrino can cross the entire universe, even traversing substantial aggregations of matter, without being absorbed or even deflected. And neutrinos that have not been absorbed or deflected carry with them information about the site of their production and can escape from regions of space where light and other kinds of electromagnetic radiation are blocked by matter. Therefore the detection of cosmic neutrinos could provide new information about a wide variety of astrophysical phenomena.

The same reluctance to interact with matter that gives the neutrino its long range makes it extraordinarily difficult to detect. Most neutrinos reaching the earth travel all the way through it unperturbed, leaving no sign of their passage. No apparatus can detect neutrinos unless it is extremely massive and sufficiently shielded from the interfering effects of other particles. Great mass is synonymous with huge numbers of nucleons (neutrons and protons), and the more massive the detector, the larger the probability of one of its nucleons interacting with a neutrino.

A few years ago a group of physicists came up with an ambitious proposal for detecting cosmic and terrestrial neutrinos by harnessing the mass of the ocean. Named

DUMAND, for deep underwater muon and neutrino detector, the proposal calls of placing an array of light sensors above the ocean floor at a depth of some five kilometers. The detecting medium is the seawater itself: when a neutrino interacts with a particle in an atom of seawater, it gives rise to a cascade of electrically charged particles and a flash of light that will be detected by the sensors. The five kilometers of seawater above the sensors will shield them from the interfering effects of other high-energy particles raining down through the atmosphere.

The neutrino has a rich intellectual history. In 1931 the particle was introduced as a hypothetical entity to account for a tiny amount of energy that seemed to vanish in the radioactive decay of certain atomic nuclei. Wolfgang Pauli proposed that the missing energy was spirited away by an unobserved particle, which was later named by Enrico Fermi the neutrino ("little neutral one"). It was not until 1956, however, that Frederick Reines and Clyde L. Cowan, Jr., detected the particle. The neutrino is now seen as being a member of the small family of elementary particles known as leptons, which seem to have no measurable size and no constituents. The other species of lepton are the muon, the electron and the tau particle. There are three kinds of neutrino, one associated with the electron (called the electron neutrino), one associated with the muon (the muon neutrino) and one associated with the tau particle (the tau neutrino). And for each kind of neutrino there is a corresponding antineutrino.

Neutrinos created in large particle accelerators are routinely employed to probe the massive members of the other major class of particles: the hadrons (including the proton, the neutron, the pion and the kaon), which seem to have the constituents called quarks. Particle-accelerator experiments in which neutrinos are scattered by hadrons have revealed much about the quark structure of matter. It is testimony to the versatility of the neutrino that it can be exploited both to probe objects as small as quarks and to investigate objects at astronomical distances. Neutrino microscopes, however, have far outpaced neutrino telescopes.

The DUMAND apparatus will not be the first neutrino telescope. In the early 1960's Raymond Davis of the Brookhaven National Laboratory made the initial serious attempt at neutrino astronomy. He set out to detect low-energy neutrinos emitted by the sun, the brightest source in the sky of neutrinos as well as photons. The neutrinos are generated deep within the sun in the thermonuclear reactions that transmute hydrogen into helium with the release of energy. Almost a tenth of the energy is carried away by neutrinos, whose energies range from half a million electron volts to 14 million. The flux of solar neutrinos at the distance of the earth is staggering (more than 100 million million pass through the human body every second), but the particles are nonetheless elusive. Even so, a tiny fraction of them do interact with a sufficient quantity of matter.

With a massive detector and endless patience Davis has apparently detected solar neutrinos. His detector is basically a large tank containing 610 tons of the ordinary cleaning fluid tetrachloroethylene, the molecules of which consist of two atoms of carbon and four of chlorine (C_2Cl_4). A fourth of the chlorine atoms are those of the isotope chlorine 37, and when such an atom captures a neutrino, it is transformed

into an atom of argon 37. The argon 37 is radioactive, and so the decay of an atom of it signifies the capture of a neutrino. Davis and his co-workers have spent the past decade trying to record solar neutrinos. The experiment has finally begun to yield a positive signal, although it is not as large as was expected.

Another kind of low-energy neutrino telescope has been developed in the past decade. It consists of a tank of water equipped with light detectors. If a neutrino interacts with an atom of the water, the interaction gives rise to charged particles that recoil with high energy. When such a particle travels through a transparent medium faster than the speed of light in that medium, it emits the characteristic blue light of Cerenkov radiation, and it is the tiny flash of this light that is picked up by the detectors.

Low-energy neutrino telescopes may be able to record neutrinos from a supernova, a star that is believed to explode after it has exhausted its nuclear fuel and collapsed. More energy is released in the few seconds of the explosion than in the star's entire previous history. Most of this energy escapes in the form of neutrinos, each of which typically has an energy of 15 million electron volts. A detector with a mass of several tons could monitor neutrinos coming from a supernova on the other side of our galaxy. Several low-energy neutrino telescopes are now poised to observe the next such supernova.

Some neutrinos are far more energetic than those produced in supernovas or in the interior of stars such as the sun. In the earth's atmosphere and in many astrophysical systems neutrinos are created with energies in excess of 10^9 electron volts. Such neutrinos are the result of extremely energetic collisions between nucleons. For example, high-energy neutrinos are generated when energetic cosmic-ray protons strike the nuclei of atoms in the earth's atmosphere. DUMAND will be able to detect neutrinos with energies of more than 10^{11} electron volts.

The history of attempts to detect high-energy neutrinos at sites other than particle accelerators is a short one. There have been only four experiments, of which the first and largest was done by Reines and his co-workers. Their detector and the others consist of extensive arrays of sensors deployed in deep mine shafts. When an occasional high-energy neutrino interacts with a nucleon in the surrounding rock, it creates a shower of electrically charged particles that are registered by the sensors.

If the neutrino is a muon neutrino with an energy of more than 10^9 electron volts, the particles emerging from the collision will usually include a muon. Muons have great penetrating power; indeed, an energetic one can penetrate a kilometer of rock. Hence the neutrino can be monitored even if it interacts with a nucleon a kilometer from the sensor: the resulting muon will continue roughly along the trajectory of the neutrino and trip the sensor. Therefore the effective size of the detector extends well beyond its physical dimensions.

Muons are also created high in the earth's atmosphere in collisions between cosmic rays and the nucleons of air molecules, and the muons will trigger a high-energy neutrino detector if they can reach it. It is to keep atmospheric muons from swamping rarer neutrino-generated muons that the detector must be placed deep below the surface. Reines' detector, which had a total

area of 140 square meters, was two miles down in the deepest mine shaft in the world (near Johannesburg in South Africa). The depth and the installation costs put limits on the size of the detector, and it did not reveal any neutrino sources outside the earth's atmosphere. Even so, the negative result has astrophysical significance: it bears on the production in the universe of deuterium (heavy hydrogen), in which nucleons collide and give rise to neutrinos.

The DUMAND apparatus will be much more sensitive than other high-energy neutrino detectors chiefly because it will be better shielded and will be able to detect neutrino interactions in a much larger volume of matter. The current plan is to ultimately distribute at least 2,000 light sensors throughout a cubic kilometer of seawater. Flexible cables will anchor the sensors to one another and to the ocean floor. The entire array will be linked to a computer on the shore.

The DUMAND array will efficiently detect a single neutrino interaction if the energy of the neutrino exceeds 10^{11} electron volts. Neutrinos with less energy will register only if many of them trip the detector simultaneously, as might happen if an astrophysical system gave off a powerful burst of them. An essential feature of the array will be its ability to determine the direction from which a detected neutrino came. The bulk of the charged particles created in the interaction of a neutrino and a nucleon of seawater will continue for some 10 meters in a direction within half a degree of the trajectory of the incident neutrino. The charged particles will collide with other particles in the water, which will in turn collide with still other particles, giving rise to a cascade of perhaps a few million particles. The cascade will be accompanied by billions of tiny flashes of Cerenkov radiation and will trigger light sensors in the immediate vicinity.

A muon among the charged particles, being exceptionally penetrating, will emit light throughout its long path through the seawater. At a neutrino energy of about 10^{12} electron volts the typical muon track is at least a kilometer long. A computer analysis of the sensor responses should fix the direction of the incident neutrino to better than half a degree. According to calculations by Arthur Roberts and Victor J. Stenger of the Hawaii DUMAND Center, a computer analysis of the total number of detected Cerenkov photons should establish the energy of the neutrino fairly accurately.

Although the DUMAND array will have a cross-sectional area of a square kilometer for muon detection, its effective collection area will be far smaller for neutrino detection. For a neutrino with an energy of 10^{12} electron volts each nucleon of seawater in effect provides a target of 10^{-28} square centimeters. A cubic kilometer of seawater holds 6×10^{28} nucleons, and so the total collecting area for collisions within the DUMAND array comes to 6,000 square centimeters. Unlike telescopes that record photons, the neutrino telescope will look in all directions at once; it will even be detecting neutrinos coming up from below through the earth. Three or more counts per year of high-energy neutrinos from a given direction might constitute a statistically significant result. Such a result would correspond to a minimum energy flux of 15 electron volts per centimeter squared per second. If the distance over which the neutrino-generated muon can travel is taken into account, the effective size of the detector is much larger.

Theodore Bowen of the University of Arizona was the first to suggest another way the ocean could be harnessed to detect neutrinos. The particle cascade triggered by the neutrino collision heats a rod-shaped volume of water. The heat expands the water and launches a small pressure pulse, or sound wave, that can travel as far as 10 kilometers before it is absorbed or lost in the background noise of the ocean. If acoustic sensors could be designed that would "hear" the cascade, they would have a much longer range than the optical sensors have. Nevertheless, for a muon or particle cascade whose energy is less than 10^{16} volts the sound pulse will quickly be lost in the background noise. If there are neutrinos that can trigger a cascade of more than 10^{16} electron volts, the acoustic sensors would be able to determine the trajectory of the neutrinos from the highly directional sound wave of the cascade. Hence the DUMAND array may include an array of acoustic sensors.

It will be no small technological feat to place thousands of optical and acoustic sensors five kilometers deep in the ocean, to keep them operating and to monitor their signals. Over the past six years some 100 physicists, astronomers, engineers and oceanographers headed by Reines have evaluated potential sites on the ocean floor, have studied ways of deploying the apparatus and have investigated different kinds of optical and acoustic sensors. A series of studies and workshops decided on the Hawaiian Islands as the site. Since the islands are steep-sided volcanoes, the ocean floor is quite deep near the shore; as a result the sensors would be more accessible. Above the ocean floor near the islands there are few strong currents and little biological activity that might interfere with the sensor's performance.

Another advantage of the Hawaiian Islands is that the deep seawater around them is unusually transparent to blue light. Recent tests conducted 20 kilometers west of the island of Hawaii at a depth of 4.5 kilometers showed that a flash of blue light is attenuated by 64 percent only over the surprisingly large distance of 25 meters. As a result the DUMAND sensors can be placed not at intervals of 20 meters, as was originally suggested, but at intervals of more than 50 meters, so that fewer detectors will be needed to monitor the same volume of water.

The cost of the DUMAND project was initially put at about \$100 million, but the need for fewer detectors has significantly reduced the figure. Moreover, the DUMAND organization plans to build and install a smaller array of sensors before implementing the full project. That array would cost about \$5 million. If the smaller project is approved and the funds are provided, the array could begin gathering data in perhaps three years.

This spring a group of investigators led by Vincent Z. Peterson of the Hawaii DUMAND Center plans to deploy a string of five muon sensors at depths of between one kilometer and five kilometers. The sensors will collect data for two weeks, during which they are expected to record thousands of atmospheric muons and perhaps four neutrino-induced muons. If the detected muons come from below, they will undoubtedly have been generated by neutrinos; the neutrino is the only particle that can pass all the way through the earth. The operation of the string of sensors should help to establish the feasibility of the DUMAND project.

What originally generates the high-energy neutrinos the DUMAND array will detect? The neutrino is a chief decay product of the unstable hadrons the pion and the kaon. Pions and kaons are copiously created when a nucleon is struck by a relativistic proton: a proton moving at nearly the speed of light. About a third of the pions have no electric charge; they decay into gamma rays. The charged pions and most of the kaons decay into neutrinos, muons, electrons and their antiparticles. When a relativistic proton strikes a stationary nucleon, the pions, kaons and the decay products all continue in about the same direction as the proton. In many such collisions one of the decay products (such as the neutrino) inherits a large fraction of the proton's energy.

In short, the production of high-energy neutrinos calls for high-energy protons and a target of stationary nucleons for the protons to bombard. With the exception of particle accelerators the main terrestrial source of high-energy neutrinos is the impact of cosmic-ray protons on the nucleons in air molecules in the upper atmosphere. When the pions and kaons created in such collisions are able to decay before being absorbed in the atmosphere or in the ground, they give rise to neutrinos.

The relativistic effect of time dilation prolongs the life of pions and kaons that are particularly energetic. For pions and kaons with energies exceeding 10^{12} electron volts the effect of time dilation is to lengthen their lifetimes to the point where many of them eventually collide with a particle in the air instead of decaying into neutrinos and other products. Cosmic-ray protons entering the earth's atmosphere at shallow angles give rise to secondary particles that skim along the top of the atmosphere, where the density of the air molecules is low. Such particles have a better chance of decaying before undergoing a collision than particles that are heading straight down into the denser regions of the atmosphere, where the probability of a collision is much higher. At energies of about 10^{12} electron volts four times as many atmospheric neutrinos come from the horizontal direction as come from the vertical. This angular dependence is a signature that the neutrinos originated in the atmosphere.

Cosmic-ray protons collide not only with nucleons in the atmosphere but also with protons in the rarefied medium between the stars of our galaxy. In regions of the galaxy where protons have been accelerated to high energies the density of matter is typically so low that all the secondary particles created in a collision decay and yield neutrinos before they lose most of their energy in subsequent collisions. In this sense neutrino production is more efficient in the galaxy at large than it is in the earth's atmosphere. Extraterrestrial neutrinos are likely to dominate those detected by the DUMAND array at the high energies where the production of neutrinos in the atmosphere is the least efficient.

High-energy neutrinos created in interstellar cosmic-ray collisions would trigger a few hundred counts in the DUMAND array each year. These neutrinos, however, would come from a large sector of the sky, and it may be difficult to distinguish such a diffuse signal from the background of atmospheric neutrinos. Whether or not DUMAND is able to resolve the signal depends on the precise energy distribution of the cosmic rays in the galaxy. Even the failure to detect the signal, however, would be an im-

portant result that would bear on the sources of cosmic rays.

A concentrated neutrino signal could come from collisions closer to a source of relativistic protons. Here the neutrinos would arrive not from a large sector of the sky but from a point source. As a result they would stand out above the atmospheric background much better than a diffuse signal. Relativistic particles are known to be generated by a wide variety of astrophysical systems, both within the galaxy and outside it: neutron stars, the blast waves of supernovas, the active nuclei of other galaxies and even quasars. The collisions of relativistic protons from any of these objects might give rise to neutrinos that DUMAND could detect.

One simple scenario for the generation of neutrinos has relativistic protons being created near the surface of a massive astrophysical object. (An example on a modest scale is a solar flare, in which magnetic energy suddenly released near the surface of the sun results in the acceleration of protons to extremely high velocities.) If some of the protons then rain down on the surface of the object, the object itself provides the target nucleons. The resulting collisions yield neutrinos, most of which pass through the object and continue on their way to vast distances.

Another scenario has matter accreting, or falling, on a compact object and providing the target for relativistic particles generated by the object. Many galactic X-ray sources are neutron stars to which matter is accreting. The X-ray emission of the source is in fact powered by the falling matter. Quasars and active galactic nuclei may be powered in the same way. According to some theories, quasars and active galactic nuclei generate relativistic particles in their innermost regions; such objects would be candidates for neutrino astronomy.

If the accreting matter is thick enough, it will obscure the object from view. In that case the emitted neutrinos would be the only direct clue to high-energy processes taking place in the object. The greater the rate of accreting matter, the more powerful the object. Two years ago a remarkable system was discovered that is obscured by accreting matter. Known as SS 433, it seems to consist of a compact object that is expelling two jets of matter in opposite directions at extraordinarily high velocities [see "The Bizarre Spectrum of SS 433," by Bruce Margon; *Scientific American*, October, 1980]. Some astronomers estimate that SS 433 is 1,000 times more powerful (that is, it puts out 1,000 times more energy per second) than the brightest stellar object known in the galaxy.

Why should such a powerful object have been discovered only recently? The answer is the SS 433 is a relatively faint source of photons. Although it may seem contradictory that an object with such power should be so faint, the two properties actually go together. The accreting matter that gives SS 433 its tremendous power also acts to screen its bright central region from view. Any relativistic protons that are created near the compact object would undoubtedly collide with other nucleons, and the resulting neutrinos could escape. SS 433 may be so powerful that only one part in a million of its energy budget need go into the production of high-energy neutrinos for them to be detected by DUMAND. It is not yet known exactly what SS 433 is or whether high-energy protons are actually generated in the accreting matter. Nevertheless, the

discovery of SS 433 supports the view that exotic astrophysical systems exist hidden by the accreting matter that powers them. Neutrino astronomy offers the only hope of directly detecting such objects.

Many stellar objects are binary, or double, systems. One member of the system can therefore provide target nucleons for relativistic particles generated by the other. If a young, rapidly rotating neutron star belongs to a binary system, its companion could play the target role. When the companion eclipsed the neutron star, relativistic protons from the neutron star impinging on the nucleons of the companion would generate neutrinos that would proceed through the companion along the line of sight.

Theoretical considerations suggest that at any one time there could be a few young neutron-star binary systems in our galaxy. One such system may have been observed: the binary X-ray source Cygnus X-3. The neutron star in Cygnus X-3 emits gamma rays, which implies it also generates relativistic particles. The details of the X-ray emission indicate that the entire system is shrouded by a cloud of gas that seems to have evaporated from the surface of the companion star when it was heated by radiation from the neutron star. The companion periodically eclipses the neutron star, at which time X-rays are no longer detected. From this observation it can be inferred that the companion star is then between the solar system and the relativistic particles associated with the neutron star. The geometry is ideal for the emission of high-energy neutrinos in our direction.

Another scenario for neutrino production involves the ejection of matter from a compact object. For example, neutron stars are apparently born in the explosions of supernovas. When a star explodes as a supernova, it blows off its outer shell. The expanding shell can then provide a screen of target nucleons for relativistic protons from the neutron star. In fact, for the first six months the shell would be opaque to photons and all other relativistic particles, and so the neutron star could not be observed with conventional telescopes. In this period of infancy the neutron star would, it is thought, have more power than it would have at any other time. Indeed, the DUMAND array might detect neutrinos from an infant neutron star shrouded by a supernova shell even if it were not in our own galaxy but in a nearby one. Supernovas are thought to explode at the rate of roughly one per galaxy every 20 years. In a few years of operation the DUMAND array might pick up high-energy neutrinos from a supernova in one of several nearby galaxies.

In principle the supernova shell could act as a source of neutrinos for much longer than six months. If the shell had a significant magnetic field, it could store relativistic protons. Then the shell could continue to emit neutrinos as long as its ever decreasing density allowed relativistic protons to collide frequently. We estimate that the shell would be dense enough to yield neutrinos for perhaps 50 years. Our own galaxy may include two or three such neutrino sources that the DUMAND project could detect.

These are some of the most plausible astrophysical scenarios for the production of high-energy neutrinos. There are many other possible scenarios involving the same concept: relativistic protons colliding with a target, with neutrinos emerging from the collisions.

Would the DUMAND array be sufficiently sensitive to detect the neutrinos created by

these various objects? Since the neutrinos cannot be detected at present, we cannot give a definite answer. The energy output of many kinds of celestial objects is nonetheless compatible with the hypothesis that the DUMAND project will be able to detect neutrinos. From such objects the earth is exposed to a considerable flux of electromagnetic energy, and if it is exposed to a flux of neutrino energy that is only a small fraction of the electromagnetic-energy flux, then the DUMAND array will be able to detect the neutrinos.

For example, the energy flux of photons from neutron stars in our galaxy, quasars and active galactic nuclei is on the order of a few thousand electron volts per centimeter squared per second. Since the threshold neutrino flux for DUMAND is between 10 and 100 electron volts per centimeter squared for neutrinos with energies of between 10^{12} and 10^{14} electron volts, nearby neutron stars, quasars and active galactic nuclei need spend only 1 percent of their energy budget on the very-high-energy neutrinos that would be detected by the DUMAND array. Even so, the production of relativistic particles in such objects needs to be quite efficient. There is remarkable evidence, however, that this high-efficiency requirement is frequently met.

The Crab Nebula is the best-known system in which particles with energies greater than 10^{12} electron volts are produced with high efficiency. The nebula generates X rays by the synchrotron mechanism, in which high-energy electrons radiate away energy when they are deflected by the nebula's magnetic field. The estimated strength of the field implies that the electrons each have an energy of about 10^{11} electron volts.

Such energetic electrons should radiate away their energy in a year or so, yet this population in the Crab Nebula does not seem to be decreasing. Astronomers have therefore concluded that the electrons are somehow being continuously supplied or reenergized by the rapidly rotating neutron star at the center of the nebula. The neutron star, whose rate of rotation is slowly decreasing, emits a pulse of radiation once per revolution: it is a pulsar. In the gradual decrease of the pulse rate astronomers have a measure of the rate at which the star is spinning down. The spin-down rate in turn yields the approximate rate at which the star is losing rotational energy. The rate of energy loss is comparable to the power needed to sustain the synchrotron emission of the electrons in the Crab Nebula. This numerical agreement suggests that the neutron star is somehow converting a large fraction of its rotational energy into relativistic particles.

Another example of the efficient production of relativistic particles is an entirely different kind of system: the bright quasar 3C 273. Recent measurements by satellite instruments reveal that the quasar emits almost as much energy in gamma rays as it does in any other region of the electromagnetic spectrum. The energy of each gamma ray is more than 10^8 electron volts, which means that the gamma rays could only have been generated by relativistic particles (although precisely how relativistic is not yet known). The quasar is apparently spending a very large fraction of its energy budget on relativistic particles. Energy considerations suggest that neutrinos from this source could register about 100 counts per year in the DUMAND apparatus. Even though the quasar 3C 273 is exceptionally bright, it is not unrepresentative of a large class of qua-

sars and active galaxies that are also believed to efficiently produce relativistic particles. Other sites where high-energy particles are generated with unexpected efficiency include blast waves from supernovas and, on a more modest scale, shock waves coming from a variety of sources in our own solar system.

Since astrophysical systems that give rise to high-energy neutrinos also give rise to gamma rays of comparable energy, a measurement of the gamma-ray flux from a system might provide an indication of the expected neutrino flux. There is not, however, a one-to-one correspondence between detected gamma rays and expected neutrinos. Although high-energy gamma rays are always produced where high-energy neutrinos are, high-energy neutrinos are not always produced where high-energy gamma rays are. In other words, the measured gamma-ray flux may result in part from non-neutrino sources. Alternatively, the measured gamma-ray flux can understate the case for neutrinos if some of the gamma rays produced by neutrino sources never reach the earth. Indeed, the same screen of target material that gives rise to the neutrinos can absorb the gamma rays. Moreover, when the highest-energy gamma rays traverse astronomical distances, many of them are stopped by collisions with other photons. Nevertheless, if these caveats are kept in mind, gamma-ray astronomy helps in estimating the flux of neutrinos in the vicinity of the earth.

The gamma rays of interest have the same energy (more than 10^{12} electron volts) as the neutrinos to which the DUMAND array will be the most sensitive. Designated VHEGR, for very-high-energy gamma rays, they have more than 1,000 times the energy of the gamma rays that are routinely observed by satellites. Very-high-energy gamma rays are detected by large reflecting dishes that collect the feeble flash of light produced by the shower of particles marking the entry of such a gamma ray into the earth's atmosphere. VHEGR astronomy, which has been attempted for two decades, has begun to yield positive results in the past few years.

Although a screen of matter that is thick enough to stop most of the relativistic particles striking it will also be thick enough to block gamma rays, the neutrino-production scenarios do not demand that most of the protons be halted. Neutrinos could be efficiently produced if only half of the protons were stopped. It is possible to have a screen that is thick enough to halt a significant fraction of the impinging protons but thin enough to allow much of the gamma radiation to pass through. A case in point is the young neutron star in the binary system Cygnus X-3. Since the neutron star apparently vaporizes matter from the surface of its companion, it is observed through a mist of matter as it goes into and out of eclipse. At some point as the neutron star is moving away from its eclipsed position the mist must have the optimum thickness for gamma-ray emission.

This conclusion has now been borne out by observation. Over the past decade a group of investigators led by A. A. Stepanian of the Crimean Astrophysical Observatory in the U.S.S.R. has observed very-high-energy gamma rays emitted by Cygnus X-3. The observation has recently been confirmed by the same group and by a group in the U.S. The gamma rays are seen to be emitted only periodically, with the most radiation apparently being produced just as

the neutron star emerges from behind its companion. The gamma rays were observed over only 5 percent of the neutron star's orbital period. To account for the observed gamma-ray flux the neutron star in Cygnus X-3, like the one in the Crab Nebula, must efficiently produce particles with an energy of 10^{11} electron volts. If the gamma rays are the product of pion decay, neutrinos are produced along with them. We estimate that these neutrinos would register about 50 counts per year in the DUMAND array.

In 1975 very-high-energy gamma rays were discovered emanating from the radio galaxy NGC 5128. If these gamma rays come from pion decay, the accompanying neutrinos would register at least a few counts per year in the DUMAND array. The significance of the discovery for DUMAND is that active galaxies are capable of efficiently generating relativistic particles with enough energy to create neutrinos the DUMAND array could detect.

Neutrino astronomy may also provide answers to basic questions about the overall structure and history of the universe. One question is whether all galaxies are made of ordinary matter or roughly half of them are made of antimatter. The conventional view is that all galaxies consist of ordinary matter [see "The Cosmic Asymmetry between Matter and Antimatter," by Frank Wilczek; *Scientific American*, December, 1980]. Some investigators nonetheless think there is an overall symmetry to the universe requiring that half of it be antimatter. Photon astronomy cannot directly resolve the issue because the photon is its own antiparticle and hence carries no information about whether its source is matter or antimatter. Neutrinos are different from antineutrinos and can be distinguished by the DUMAND array according to the details of the interaction. Galaxies made of matter emit many more neutrinos than antineutrinos, so that a sufficiently strong neutrino signal from a galaxy should reveal whether it consists of matter or of antimatter.

With the DUMAND array it should be possible to examine not only astrophysical phenomena but also fundamental concepts in particle physics such as the electroweak theory; the unified theory of the weak interaction and the electromagnetic interaction. These interactions are two of the three fundamental forces of nuclear physics; the third is the strong force, which binds nucleons together. Neutrinos are subject only to the weak interaction; they do not "feel" the other nuclear forces. According to the electroweak theory, the weak and the electromagnetic interactions have about the same strength within some small distance (less than 10^{-16} centimeter) of a quark in a particle that is subject to both forces. At short range, then, the weak force is not weak.

A neutrino traversing a proton has a probability of less than one in a million of coming close enough to a quark and felling the weak force. Nevertheless, as the energy of the neutrino increases, the weak force plays more of a role, and the neutrino is more likely to interact with the proton. The electroweak theory predicts that above a certain critical energy the probability of a neutrino-proton interaction is no longer dependent on the energy. Neutrinos whose energies exceed the critical value are regularly created in the earth's atmosphere at a known rate. From this rate and the number of neutrino-nucleon interactions detected by the DUMAND array the probability of the interaction could be calculated, and the

measured probability could then be compared with the predicted one. The theory also makes predictions about the distribution of energy among the various charged particles created in a neutrino-proton interaction. The DUMAND array will be able to test those predictions.

The DUMAND organization has recently investigated the possibility of putting another kind of detector at the surface of the sea or on the shore to measure the energy of the cosmic rays that would generate muons that would be detected by the DUMAND array. Information about the energy and the distribution of the muons could reveal much about the nature of high-energy interactions and high-energy cosmic rays.

The strongest motivation for the DUMAND project is that it will exploit a source of information about the universe that has not so far been exploited. The extension of astronomy from visible light first to radio waves and then to X rays and gamma rays never failed to lead to the discovery of unusual objects such as radio galaxies, quasars and pulsars. All these objects came as a surprise. It is likely that neutrino astronomy will bring its own share of surprises.

Mr. D'AMOURS. Mr. Speaker, I thank the gentleman from Hawaii for his contribution.

● Mr. SEIBERLING. Mr. Speaker, I rise to participate in this special order commemorating the 44th annual observance of National Wildlife Week and I commend the gentlemen from the Merchant Marine and Fisheries Committee, the Honorable JOEL PRITCHARD and the Honorable NORMAN D'AMOURS, for requesting this time. The observance, which was first proclaimed by President Franklin D. Roosevelt in 1938, centers this year on a resource which we share with other nations—the oceans.

I am departing from my usual reluctance to participate in special orders of this nature because, as a member of the former Select Committee on the Outer Continental Shelf and as a member of the Interior Committee, I have had an unique opportunity to learn of the extent of the impact of man's activity on marine life and resources in our coastal waters. I have participated in hearings on the dumping of nuclear wastes off our shores; the effect of oil and gas exploration on the offshore Continental Shelf, and its effect on the fishing industry and water quality of our coastal waters; and of development on the fragile barrier islands.

The condition of our barrier islands as an ocean resource is worth bringing in closer focus for purposes of this special order. The barrier islands are our first line of coastal defense against ocean storms. The National Park Service has identified 250 barrier island units, making up over 1,400,000 acres of uplands, wetlands and interior waters.

The barriers consist of unconsolidated sediments, with inland wetlands,

and ocean-front beaches. The islands literally roll over themselves as a natural component to the process of depletion and replenishment. Since the islands change position in response to storms, water levels, and current patterns, adapting as protection for the mainland, they are a truly hostile environment for manmade construction. Yet development on barrier lands is increasing at a rate greater than 6,000 acres per year, despite the dangers of the destructive forces of migrating inlets, overwash, and high winds. This rate of development, should it continue at the present pace, will consume all the undeveloped barrier lands by the year 1995, and destroy a natural resource essential to the protection of the mainland, and to the marine food chain and the natural wildlife and resources which thrive in the barrier ecosystem.

The barrier ecosystems sustain an amazing array of wildlife in their beaches, bays, estuaries, and wetlands. As part of a Federal effort to protect this wildlife, 31 refuges occupy barrier islands lands and waters, providing habitats for some of the most endangered and threatened species in the continent—the manatee, alligator, bald eagle, brown pelican, peregrin falcon, and several species of sea turtle. Moreover, the wetlands of barrier ecosystems are highly valuable for erosion control, flood control, pollution control, ground water recharging, and the vitality and productivity of our marine food chain. For example, offshore harvest of shrimp is directly correlated with the onshore acreage of salt marsh. Our coastal vegetation is a natural resource which moderates the summer heat, buffers strong winds, and cleanses and purifies our air, and reduces soil erosion and the runoff of storm water.

The very instability of these areas is the essential ingredient to their continued productive existence. Yet man continues to gamble with time and nature by claiming more and more of this natural—national—resource for residential and commercial development. Congress has the ability to protect this oceanic resource. Recent studies suggest that Federal acquisition of the private undeveloped coastal lands is the most cost-effective way of preserving the barriers and preventing the destruction experienced in the developed coastal zones. The Federal Government can in this way avoid the tremendous loss of natural resources, and the repeated investment in restoring structures on barrier lands that are destroyed or damaged periodically by ocean storms.

I hope that during this week—National Wildlife—my colleagues will take the time to listen or read the remarks offered by other colleagues in this special order on the oceans to prepare ourselves for the important deci-

sions we may have to make further down the road.●

● Mr. VENTO. Mr. Speaker, the week of March 15 to March 21 marks the 44th anniversary of National Wildlife Week and I feel that this year's theme, "We Care About Oceans," is especially appropriate. Our diverse ocean resources extend from the rocky shores of Maine to the marshlands of Florida and from the icy coast of Alaska to the sandy beaches of Hawaii. Not only do people visit the ocean for recreation and sport, it also serves as the livelihood for entire economic communities.

Esthetically the ocean has always been a special place for Americans. The beauty of the beaches and the pureness of the air have always refreshed the spirit and confounded the imagination. In order to focus public attention on the value of the ocean, and the dangers that threaten and degrade its vitality, I hope that all my colleagues will give special recognition to the ocean's conservation problems during this National Wildlife Week.●

● Mr. HUGHES. Mr. Speaker, as a member of the Merchant Marine and Fisheries Committee and a representative from one of the Nation's most interesting and diverse coastal districts, I am pleased to have the opportunity to participate in today's special order marking the 44th annual observance of National Wildlife Week.

This year's theme, "We Care About Oceans," comes at an appropriate time. Although a tremendous amount of public concern over the need to protect and manage our important ocean resources resulted in several key legislative initiatives in the past decade, I sense that the controversy over ocean resource use and protection is not yet over.

The new budget proposals attempt to scrap much of the progress that Congress has made in ocean areas. Coastal zone management, sea grant, fishery assistance are just a few of the areas which are slated for reductions. At the same time, the EPA, NOAA, and others are studying the possibility of continued ocean dumping despite a clear congressional mandate to phase it out.

In looking ahead, however, I am optimistic. Public concern for protecting fragile ocean resources continues to be strong. Many of my constituents who earn their livelihood from the seas have a tremendous respect for the oceans and have become staunch supporters of marine protection programs. Many others who live in my district spend their lives in close proximity to the ocean. These people have also demonstrated their concern over the future of the marine environment. They clearly understand the interrelationship between their daily lives and the ocean environment. They also

have an admirable respect for this fragile resource.

Last month, I introduced legislation which would create an interagency task force to look into past dumping of radioactive waste in the oceans and to recommend to Congress a comprehensive health and environmental monitoring program for the affected areas. I am extremely pleased to see that support for this measure has come from Representatives and individuals throughout the country and not just from those areas which are directly affected by past dumping practices.

In looking back over the past decade, I am proud to say that Congress has taken a number of important initiatives in the conservation of the marine resources and the protection of the ocean environment. I am hopeful that the 97th Congress will follow suit and continue to maintain its responsibility as trustee for future generations who will depend on clean and healthy oceans for food, energy, minerals, and recreation.

As land-based resource and waste disposal problems become more complex and politically volatile, we will see an inclination on the part of some to look toward the ocean as a workable solution. I hope that we in Congress will not be swayed by those who believe there is no constituency for the oceans.●

● Mr. DYSON. Mr. Speaker, I wish to take this opportunity to commend the National Wildlife Federation on this year's celebration of National Wildlife Week. This is the first time a wildlife week theme has focused on the sea, and I believe that this year's theme of "We Care About Oceans" is particularly relevant.

While the ocean is a natural resource on which we are all dependent, most of us take it for granted. The oceans not only cover 71 percent of the Earth's surface, but they serve as a reservoir for 97 percent of the Earth's water supply, provide us with half our life-sustaining oxygen, and provide us with millions of tons of food. Even though we are so totally dependent on this massive natural resource, we continue to treat it as a bottomless disposal site, dumping into it sewage, deadly chemicals, and nuclear wastes.

I am particularly concerned about the radioactive wastes which have been disposed of in ocean and coastal waters off U.S. shores. According to the Environmental Protection Agency, the United States dumped more than 86,000 containers of radioactive waste material into ocean and coastal waters between 1946 and 1970. Most of this radioactive material was packaged in 55-gallon drums filled with cement so that they would sink to the bottom of the ocean. The material was dumped in water depths from 50 feet to 15,000

feet at over 35 locations in the Atlantic and Pacific. Most of this material, however, was deposited in four dump sites—two sites in the Atlantic Ocean off the Maryland-Delaware-New Jersey coast, and two sites in the Pacific Ocean off San Francisco.

I have recently cosponsored legislation introduced by my colleague, Representative BILL HUGHES of New Jersey, which would create an inter-agency task force to inventory the radioactive material which has been dumped into ocean waters within 300 miles of U.S. shores. The task force would recommend to Congress within 1 year a comprehensive plan for monitoring and assessing the impact of these wastes on public health and the marine environment.

As we celebrate National Wildlife Week this year, I fervently hope that the Congress will closely and carefully examine the effects of radioactive material in the marine environment before we exacerbate the problem for the future. ●

● Mr. HOWARD. Mr. Speaker, I have always felt very fortunate to represent a district that has as its eastern border the Atlantic Ocean. Not only does the ocean provide us with great pleasure, it forms the economic base for many seashore towns—providing jobs for fishermen and college students alike.

With our proximity to this great natural resource comes the responsibility to see that it is protected from pollution and misuse. That is why it is important to demonstrate our concern publicly and to do what we can, here in the Congress, to promote conservation of the seas. For too many years in the past, many regarded oceans, rivers, and lakes as convenient dumping grounds for any and all types of waste—oil, pesticides, sewage, and other toxic materials. Because of this attitude, such pollution has inflicted irreparable injury on the lives of individuals, on communities, and on the ecosystem. The people of New Jersey have seen firsthand such destruction and damage.

In response to such an unprecedented threat to the environment, government has implemented—at the Federal, State, and local levels—a number of policies and programs which have led to a noticeable improvement in many of America's water ecosystems. Unfortunately, much remains to be done to correct the years of abuse and neglect that have befallen our great waterways. On National Wildlife Week, let us reaffirm our commitment—that we do care about oceans—and that we will see to it that they are protected for future generations. With our commitment, oceans will continue to provide food, enjoyment, and a way of life for many people now and in the future. ●

● Mr. OTTINGER. Mr. Speaker, as a past recipient of the National Wildlife Federation's Congressman of the Year

Award, I would like to join my colleagues in welcoming Walter Cronkite as chairman of this year's observation of National Wildlife Week. Walter has become a key figure in publicizing efforts to preserve our deteriorating and dwindling resources.

I would also like to join my colleagues in emphasizing the importance of our oceans—this year's wildlife week theme. My congressional district, New York's 24th, borders Long Island Sound.

Coastal areas are becoming increasingly popular places for people to live. By the end of the decade it is expected that three out of every four Americans will live within 50 miles of the coast. With this increased popularity, comes the threat of harm to the oceans' ecosystem in the form of urban and industrial development and misuse of highly productive wetlands. Being an ardent conservationist, I feel the importance of our ocean and coastal resources should not be overlooked.

More than two-thirds of the world is covered by ocean, a single body of water upon which the entire world is dependent. The ocean, like the air, is a shared resource. Not only does the oceans' ecosystem contain the largest creature in existence today, the great blue whale, but it also has the ability to provide us with excellent and substantial sources of food. The ocean even helps to maintain a stable climate. We may, in fact, also need to make greater use of seawater to provide us with fresh water during drought, in addition to possible alternate sources of energy.

It is critical that we protect this unique and diverse resource from the pressures of advancing technology and overexploitation of its resources. To be successful in maintaining this system will require an international effort. I would like to encourage this Congress to act quickly, as prolonged delays could mean the demise of our oceans. I would also like to suggest that all my colleagues read the chapter relating to coastal and marine resources in "Global Futures: A Time To Act." This chapter summarizes some of the problems we can expect if no immediate steps toward conserving our ocean resources are taken. ●

● Mr. IRELAND. Mr. Speaker, I am pleased to join my colleagues in celebrating National Wildlife Week, and to speak specifically today on this year's theme, "We Care About Oceans." The environmentalists, fishermen, and scientists of Florida and our Nation have worked hard for the benefit of our oceans and I applaud their efforts.

As a Floridian, I am particularly sensitive to the importance of the oceans. Florida has approximately 1,000 miles of coastline—more than any State except Alaska, and, of course, our water resources are important to all Floridians.

In 1980, tourists spent \$17.1 billion in Florida. More than 11 percent of the Florida population works in the tourist industry and I would hate to think where we would be if our ocean resources were defiled. Our oceans serve many others, as well. For example, Florida has the sixth largest fish catch in the United States. In 1979, the dockside value of the fish caught was \$124 million. Those working in these important industries to Florida are dependent on the Atlantic Ocean and the Gulf of Mexico for much of their livelihood.

Looking to the future, the oceans and the gulf are also a rich source of energy. The U.S. Geological Survey has estimated resources from 10 to 49 billion barrels of crude oil and from 42 to 81 trillion cubic feet of natural gas are located on the Outer Continental Shelf, which runs along our Atlantic and Pacific coastlines. Oil and gas are presently being produced in the Gulf of Mexico. It is vital that we underscore the need to develop these resources cleanly, so that our environment is not harmed.

Furthermore, the Government and private industry are studying proposals to obtain energy from temperature differences that exist between warm water at the surface of oceans and cold water in the deep oceans.

Rich deposits of strategic minerals have also been discovered in the ocean, particularly in the northern Pacific. Estimates of the quantity of minerals in the Pacific Ocean range from 100 to 1,600 billion tons. The mining industry is presently developing the technology to mine these minerals in the deep sea.

It is important that we continue to develop these resources. However, we must develop them carefully. The impact of dumping chemical waste at the Love Canal, in New York, has demonstrated clearly the danger we face if we do not examine closely the impact our actions have on our environment, which keeps us alive.

It is essential that we conduct studies of the oceans and its inhabitants so that we can measure our impact. The Mote Marine Laboratory, on Longboat Key, in my district, is an excellent marine laboratory which has conducted a significant study of sharks and has completed an important study of the "red tide." We must continue such research and expand it to include more studies on man's impact on the ocean, or we may again pay for our mistakes.

So I again wish to add my voice to those celebrating National Wildlife Week, and to thank the many concerned people and organizations in Florida and in my district who spend their time making our ocean resources productive for the present, and clean and safe for the future. ●

● Mr. PRITCHARD. Mr. Speaker, I rise in support of National Wildlife Week, and I would especially like to speak briefly about the value of the ocean and its resources to our Nation and our economy. From the beginning, our Nation has looked to the sea for a variety of resources, as a medium for transportation, and defense. We are now increasingly advancing our technological capabilities to develop ocean resources as well as increasing our understanding of the significant contribution made by the oceans to our global environment.

It is fitting during National Wildlife Week that we pay particular attention to the oceans as a resource which needs to be further developed, managed wisely, and protected. At a time when our Nation needs to look for new sources of minerals, food, and other raw materials, the oceans provide attractive prospects, assuming that we judiciously develop these resources without diminishing the productivity of other resources. At this time, we are also facing dramatic changes in the legal regime which affects conduct of many ocean activities, especially those activities which in the past were conducted under the aging concept of the freedom of the high seas. Under the 1958 Convention on the High Seas, many activities including mining of the deep seabed and fishing beyond 12 miles were considered as high seas freedoms along with navigation and other rights such as the freedom to conduct marine scientific research. In the early 1970's, we began a long process of negotiation with the other nations of the world within the United Nations Conference on the Law of the Sea. Formally commencing in 1974 in Caracas, we began a process of fashioning a new law of the sea, and we have endured several turbulent periods during these negotiations including the period we are going through right now. The Law of the Sea Conference has become a major forum for the so-called north-south conflict and the new international economic order.

During this slow progress over the last few years, the United States has proceeded with domestic legislation for both a 200-mile economic resource zone which covers primarily fisheries and, in a more contentious action, the United States has proceeded with domestic seabed mining legislation. Although the 200-mile fisheries legislation is quite close to the emerging consensus within the law of the sea negotiations for fisheries management by coastal States, the deep seabed mining legislation departs significantly from the concept embodied in the law of the sea text. Within the law of the sea text, a new Seabed Authority would be created for the governance of the exploitation of minerals from the deep seabed. This is a major change in international law and it recognizes an

entirely new concept which says that the resources of the deep seabed are part of the common heritage of mankind. Although there are many other provisions in the law of the sea text which provide for improved management, development, and protection of marine resources, this new concept is the most troublesome for the United States to swallow. Part of the derivation of the concept of the common heritage of mankind was to stave off what was felt by the United States at the time as "creeping jurisdiction" by many countries such as Peru and Ecuador in the late 1960's.

During this time when we are experiencing major changes in the international regime for ocean management, as well as a major change within our own administration, it is important that we, as Members of Congress, continue to see that ocean resources are managed wisely and efficiently. It is my view that we are experiencing a time in ocean resource development which is similar to the time when the United States opened up the Western lands of the United States. Property rights in ocean resources are still very unclear as they were during the development of the frontiers of the West. However, with such events as the enactment of 200-mile fisheries legislation and the development of an international regime for certain ocean activities, we are beginning to clarify property rights in ocean resources. As these property rights evolve, more sound investment and development of ocean resources is likely to occur, and better management can likely result as well. In Japan, for example, if fisheries resources are damaged by certain types of industrial pollutants, the fishermen who depend on the fishery stocks for their livelihood, are compensated. This type of property right is valuable both to assure wise development and protection of resources.

Given the rapid changes in technology and the continuing pressures on ocean resources, it is important that we extend our experience in land management to the oceans and apply what has worked well. It is appropriate during National Wildlife Week that we appraise how we have managed our ocean resources over the last few decades, and seek ways to improve the management of our last frontier. ●

GENERAL LEAVE

Mr. D'AMOURS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the subject of this special order today.

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

There was no objection.

COMMITTEE BUDGETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 15 minutes.

Mr. ANNUNZIO. Mr. Speaker, last week the Subcommittee on Accounts, which I am privileged to chair, completed action on budget requests for the committees and related organizations of the House. I am taking this time today because I think it is important that every Member of this body be fully informed as to the way the subcommittee conducted itself in handling budget requests.

I have noted in recent weeks that many Members on the opposite side of the aisle have delivered fiscal restraint speeches which made it appear that the Accounts Subcommittee was conducting a giveaway program that was rivaled only by "Tic-Tac-Dough," "The Price Is Right," and the "\$50,000 Pyramid."

I did not rush into the Chamber each time such a speech was made to defend the subcommittee because while some were talking, the subcommittee was working. We are not interested in making headlines. We were interested in doing our job. I am not standing in the well today to pat myself on the back, but rather I am here to pat the subcommittee on the back.

Some Members would leave the impression that the subcommittee whipped through budget requests without any opportunity for discussion or to hear minority opinions. Let me set the record straight. The subcommittee held 8 days of hearings during which it heard 25 budget requests. We took testimony from more than 70 witnesses and no one who asked to appear was denied an opportunity. We had a spirited discussion of each budget request, but unfortunately there are some who believe that the democratic principle should not prevail. They believe that the decision of the majority is somehow foreign to our American form of government.

But what bothers me the most, Mr. Speaker, is the impression being left by some Members that the Accounts Subcommittee has not done its job. I submit that no matter what the subcommittee did, there are those on the other side of the aisle who would not endorse its action.

When I was elected chairman of the Accounts Subcommittee at the beginning of this Congress, I did not take the job for the purpose of stripping the House of Representatives of its ability to do its job. This is the house of the people, and the people are calling upon their elected Representatives to eliminate unnecessary Government spending, but how can we do that job if there are not enough funds availa-

ble to conduct the work of the Congress?

The Senate budget has been held up as a model of financial restraint because it accomplished a 10-percent budget cut from current authorization. But what those Members who held up the Senate as an ideal model have failed to point out was that the Senate did not cut its budget by 10 percent of the amount that it spent last year, but rather it cut its budget by 10 percent of what it was authorized to spend last year.

Now let us look at what the Accounts Subcommittee has done. The 25 budget requests submitted to the subcommittee for 1981 totaled \$47,394,476. The subcommittee reviewed each budget carefully, and by cutting out unnecessary jobs and unnecessary expenditures, reduced the overall request to \$42,886,562. That means that the subcommittee cut more than \$4.5 million from the budget requests. In percentage figures, it was a cut of 9.5 percent from the amount requested by the 25 committees and support agencies. We arrived at the budget cuts not by imposing an arbitrary 10-percent figure, but rather by looking at each budget individually and judging each committee on its past performance and projected workload. If we had cut on the basis of an arbitrary 10 percent, we might have hurt some committees which had a legitimate need for extra funds, while at the same time we might have given extra money to committees that were unable to justify such extra funds.

Since some Members have chosen to compare the Senate and House budgets, let me explore that matter further. The Senate budget for this year is \$41,698,899. That amount is to service only 19 committees and 100 Members. The Accounts Subcommittee has recommended a budget for the House of only slightly more than \$1 million more than the Senate will spend. But the House budget will go to 25 committees and support organizations which service 435 Members.

I contend that we have done a better job than the Senate because we will be spending less money for each Member than will the Senate. I would also point out that the Senate budget is not a complete budget. For example, the Senate does not contain the \$17 million that body spends for its information processing unit. The Accounts Subcommittee budget, however, contains a \$9 million expenditure for the operations of the House Information System. If the House were not required to show the \$9 million funding for the House Information System, the proposed funding budget for this year would be only \$33,886,562.

That would represent a 21-percent

decrease from the 1981 House authorization. And if the Senate were required to include the \$17 million that it spends on its information services, it would result not in a 10-percent reduction over the 1980 authorization, but rather an increase of 26 percent.

So let us put to rest once and for all the myth about what a good job the Senate has done in cutting its budget. The Senate may well have done more in the way of recalculating, than it did in budget cuts. And when I hear talk of the Senate cutting staff positions, let us make it clear that the only staff people that got fired on the Senate side were Democratic staff members. When the Republicans took control of the Senate, they cut staff but no Republican blood was spilled.

In fact, Mr. Speaker, if you compare the individual budgets of the House and Senate committees, you find that in almost every case it is the Senate that is spending the most money even though it is servicing 335 less Members. The only reason that the House budget is even slightly larger than the Senate budget is that the House has more committees. And I think that is quite proper, given the number of Members who serve in the House.

Mr. Speaker, in the past weeks there has been so much smoke blown into the ears of the American public by some Members of this House that it is a wonder that every smoke detector on Capitol Hill has not been set off. But I know that those who like to blow smoke will continue their unwarranted attacks.

As chairman of the Accounts Subcommittee, I honestly and sincerely believe that the amount recommended by the subcommittee is a just and fair budget for the House of Representatives. We are being asked to use a budget of \$43 million to make decisions on a national budget of more than \$710 billion.

And with all the talk of increased spending on the military, I would point out that the \$43 million budget proposed by the Accounts Subcommittee for the operations of this House in 1981 compares very favorably to the cost of a single jet fighter which costs between \$16 to \$32 million, or to the proposed B-1 bomber that will cost between \$40 to \$50 million apiece. And if we bring a battleship out of mothballs after 20 years on the shelf, such an action will cost several hundred million dollars for processing each ship. And consider, finally, that a single Trident submarine will cost \$1.2 billion and that a *Nimitz*-class nuclear aircraft carrier will cost \$2.3 billion.

Is it unrealistic then for this body to consider such costs with a budget of only \$43 million?

□ 1615

WE MUST UTILIZE COAL, ONE OF AMERICA'S MOST ABUNDANT RESOURCES

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

● Mr. CORCORAN. Mr. Speaker, I am pleased today to join Congressmen RICHARD C. SHELBY of Alabama, KENT HANCE of Texas, and CLEVE BENEDICT of West Virginia, in introducing the Coal Incentives Act of 1981. This legislation is very similar to H.R. 8269, a bill I joined in introducing on October 1, 1980.

We simply must increase our utilization of coal, one of our most abundant resources. It makes absolutely no sense to continue our self-inflicted dependence on OPEC oil, and it is especially appropriate that we are introducing this bill during American Energy Week.

The bill we are introducing today would provide incentive to the production and use of coal by amending the Clean Air Act and the Internal Revenue Code of 1954. While we must take care to continue to protect our environment, we must also balance environmental policies with energy, national security, and economic considerations.

Mr. Speaker, for the benefit of our colleagues, I would like to insert in the RECORD at this point a section-by-section analysis of the Coal Incentives Act of 1981:

SECTION-BY-SECTION ANALYSIS OF COAL INCENTIVES ACT OF 1981

TITLE I

Section 101

Section 101 defines coal in language similar to that used in the New Source Performance Standards regulations.

Section 102

Current Law. Section 109(d)(1) of the Clean Air Act provides for a review by December 31, 1980, of all the existing criteria upon which the current air quality standards are based. Furthermore, this review shall be repeated at no less than five year intervals so that the Administrator may revise air quality criteria and standards and promulgate new standards when appropriate.

Amendment. Section 102 of the bill extends the current deadline in the Clean Air Act for review of existing air quality standards by one year. The extension would permit the review to include a cost benefit analysis of the regulations with an emphasis on the impact of the regulations on the utilization of domestically produced coal. The standards promulgated as a result of this review would be subject to Congressional review and a one House veto in accord with provisions of the Energy Policy and Conservation Act.

Section 103

Current Law. Section 110(a)(3)(B) of the Clean Air Act sets July 1, 1979, as the date by which state implementation plans bear-

ing attainment dates later than December 31, 1982, must be revised.

Amendment. Section 103 of the bill extends the deadline for state implementation plans through 1981.

Section 104

Current Law. Section 110(f) of the Clean Air Act outlines a procedure whereby a temporary emergency suspension of the state's implementation plan may be granted. To obtain such a suspension, the owner or operator of a fuel burning source must apply to the Governor of that state, who in turn petitions the President if he, the Governor, finds that an energy emergency exists in the area and is causing high levels of unemployment or the loss of necessary energy supplies to residential dwellings. The President is then to determine whether the emergency is severe enough to mandate a suspension and whether there are alternative means of responding to the crisis. If there are no other alternatives, the Governor may then order a suspension of a state's plan for as long as four months, except that the Administrator may shorten the suspension period or recind it altogether if he determines that the necessary conditions are not in fact present. If the state has not yet adopted an implementation plan, the above determination and order shall be made by the President. Finally, the Governor may include under such a suspension the compliance schedule to which such source is subject under Section 119 or Section 113(d) of the Clean Air Act.

Amendment. Section 104 of the bill provides additional flexibility under Section 110(f) of the Clean Air Act. This section permits the Governor or the President to suspend air quality regulations to allow utility and industrial plants to switch to coal and allows a suspension to remain in effect for five years. The amendment adds a new basis for suspension, if energy imports have reached an excessive level and the emergency suspension can reduce such imports.

Section 105

Current Law. Section 111(a) of the Clean Air Act provides that if a facility is mandated by Federal requirement to convert to coal, it is not subject to New Source Performance Standards.

Amendment. Section 105 of the bill provides that voluntary conversions to coal are treated on the same basis as mandatory conversions.

Section 106

Current Law. Section 113(d)(5)(A) of the Clean Air Act extends the compliance deadline to 1980 and to 1985 in certain instances for major stationary sources which are required by Federal law to switch from oil or gas to coal.

Amendment. Section 106 of the bill permits the extension of compliance deadlines for sources converting to the use of coal to 1983. This extension would apply regardless of whether the conversion is voluntary or compelled by a prohibition order or the threat of natural gas curtailments.

Section 107

Current Law. Section 120(a)(2)(B) permits the waiver of non-compliance penalties for certain facilities (e.g., facilities required to convert to coal by Federal mandate).

Amendment. Section 107 of the bill waives non-compliance penalties for facilities whose only alternative to using coal is oil, gas or another non-renewable energy source.

Section 108

Current Law. Section 125(h) of the Clean Air Act defines "locally or regionally available coal or coal derivatives" to be coal which can be produced in the region of the major fuel burning stationary source.

Amendment. Section 108 of the bill clarifies the definition of local coal to include coal mined within the state in which a source is located or a state sharing a common border with that state.

Section 109

Current Law. No provision.
Amendment. Section 109 of the bill provides that any major stationary source which meets all applicable emission standards shall not be subject to more stringent limitations for a period of ten years.

Section 110

Current Law. Section 162(a) of the Clean Air Act creates certain class I areas automatically and bars redesignation of such areas. All national wilderness areas in excess of 5,000 acres are automatically included in class I.

Amendment. Section 110 of the bill would revise the initial classifications. The size threshold for including national wilderness areas in class I would be increased from 5,000 acres to 50,000 acres. The 71 national wilderness areas smaller than 50,000 acres account for only 5% of total class I acreage and attract only 4% of the visitors to class I areas.

Section 111

Current Law. Section 163(b) of the Clean Air Act establishes the maximum allowable increases in sulfur dioxide in particulate matter concentrations for each area according to its classification. Section 165(a) establishes such maximums for new facility emissions which impact on class I one areas. These allowable increases are measured on an annual mean, and 24 and 3 hours maximum, basis.

Amendment. Section 111 of the bill changes the period of time over which increases in pollutants would be measured to an annual geometric mean only and eliminates short-term maximum allowables.

Section 112

Current Law. Section 164(a) of the Clean Air Act outlines state authority to redesignate an area's classification. Any area may be redesignated as class I and certain national park or wildlife areas may only be redesignated class I or II. To redesignate an area as class III, specific procedures must be followed to gain the participation of all the relevant governmental groups and a finding that the redesignation will not result in the violation of the applicable air quality standards must be made.

Amendment. Section 112 of the bill requires that states follow the same procedure to reclassify an area to class I as they currently follow to reclassify an area to class III.

Section 113

Current Law. Under Section 165(d), Federal land managers of a class I area are required to be informed of any facilities whose emission may affect the class I area. A Federal land manager is given affirmative responsibility to protect air quality related values including visibility of the class I area.

Amendment. Section 113 of the bill requires that Federal land managers only receive notice of facilities to be constructed within 50 miles of the class I area. The bill would limit the Federal land managers' authority under Section 165(d)(2)(C)(ii) to

block a permit to facilities located within 50 miles of the class I area.

TITLE II

Section 201

Current Law. Under the Internal Revenue Code, investments in pollution control equipment with a useful life of five years are eligible for the full investment tax credit without regard to rapid amortization.

Amendment. Section 201 would also make the 10% investment tax credit available to the extent 100% of a taxpayer's rapidly amortized basis in facilities under Section 194.

Section 202

Current Law. The Internal Revenue Code provides an energy tax credit for coal preparation plants. However, eligibility for the credit is restricted to plants at the point of use.

Amendment. Section 202 of the bill would delete the restriction on energy tax credits for coal preparation plants thus making coal preparation plants at the mine eligible for energy tax credits.

Section 203

Current Law. Under the Energy Tax Act of 1978 and Title II of the Crude Oil Windfall Profit Tax Act of 1980, an additional investment tax credit is provided for investments in eligible property. Generally, public utility property is not eligible for energy tax credit.

Amendment. Section 203 of the bill would modify the energy tax credit enacted as part of the Energy Tax Act of 1978 and the Crude Oil Windfall Profit Tax Act of 1980, by allowing public utility property, which is also coal utilization property, to qualify for any applicable energy tax credit.

Section 204

Current Law. No provision.
Amendment. Section 204 of the bill would add a new section 194 to the Internal Revenue Code of 1954 to permit the rapid write-off of coal utilization property. This is defined as a boiler or burner for which coal will be the primary fuel or pollution control equipment required by Federal, state or local regulations in connection with the use of coal-burning equipment.●

FEDERAL GRANTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 15 minutes.

● Mr. COLLINS of Texas. Mr. Speaker, with all of the discussions about Federal grants, I was interested in reviewing two sets of comparable figures. One of them is a study that was made by City Councilman Steve Bartlett. Bartlett compared five cities as regards their community development, transit subsidies, and revenue sharing.

Here is Steve Bartlett's most enlightening comparison:

With all the debate on the supposed regional bias in the President's tax and budget cuts, I took the opportunity to conduct a brief inquiry into various levels of federal grants in several cities in the nation. While this report is in no way comprehensive as to all types of grants or as to all types of cities, I do believe the results to be revealing.

City	Population	Community development	Transit subsidies	Revenue sharing
Dallas.....	901,000	\$17,146,000	\$5,338,000	\$13,959,000
Buffalo.....	357,000	22,768,000	6,248,000
Detroit.....	1,192,000	63,000,000	30,000,000	48,800,000
Cleveland.....	573,000	32,000,000	16,453,000	14,255,000
New Orleans.....	557,000	9,138,000	10,000,000	19,413,000

I also found a splendid comparison of city busfares that was prepared by Clif Bosler, a staff member of the Dallas Morning News. Compare the subsidies, which ranged from 37 percent in Dallas to 75 percent in St. Louis and Los Angeles.

Why should city busfares be 40 cents in Houston and 65 cents in Dallas, while the Federal Government is paying twice as much subsidy to Houston?

Look at the city bus fares and the tremendous subsidy that is going into them. Below is the chart which appeared in the Dallas Morning News:

CITY BUSFARES

City	Base fare	Revenues (percent), of budget	
		Fare box	Subsidies
Dallas.....	65¢	63	37
Chicago.....	80¢	50	50
Pittsburgh.....	75¢	45	55
Los Angeles.....	65¢	25	75
New York.....	60¢	55	45
Detroit.....	60¢	33	67
St. Louis.....	50¢	25	75
San Francisco.....	50¢	30	70
Denver*.....	50¢	25	75
Houston.....	40¢	30	70

* Rush hour rate. ●

CRIMINAL JUSTICE SUBCOMMITTEE TO HOLD BRIEFING ON REVISION OF THE FEDERAL CRIMINAL CODE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

● Mr. CONYERS. Mr. Speaker, I wish to announce that the Subcommittee on Criminal Justice, which I chair, will hold its first briefing on revision of the Federal Criminal Code for Members, staff, and interested persons.

The briefing will be held on Friday, March 20, 1981, at 10 a.m. in room 2226, Rayburn House Office Building.

The discussion will include the background of the Criminal Code revision efforts, and the major issues involved. Additional briefings on specific topics will be held in the near future. The subcommittee hopes to begin hearings on Criminal Code revision as soon as the new administration is prepared to present its views.●

AGAINST MILITARY AID TO EL SALVADOR

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

tleman from Washington (Mr. LOWRY) is recognized for 5 minutes.

● Mr. LOWRY of Washington. Mr. Speaker, I rise to speak against military aid to El Salvador and join my colleagues in calling for immediate suspension of present and future military aid for that country.

The situation in El Salvador cannot be compared with situations in other countries—it is unique to the Salvadorans. Any policy that ignores this, ignores the history and the culture of the people and is destined to failure.

Tremendous social inequalities are contributing to the present unrest in El Salvador. El Salvador's traditional governmental structure has not addressed or resolved these inequalities. President Duarte's government, in an attempt to break with the past, vowed to mediate with all political forces and reduce the violence. It is time that the United States actively encourage the fulfillment of that stated mission. Rather than adding to the conflict by supplying more arms and advisers, we should concentrate our efforts on halting the violence, much of it perpetrated by the military forces we support, while encouraging the formation of a government that is dedicated to free elections and to the participation of all Salvadorans in the political life of their country.

Certainly the Salvadoran people are not interested in continuing the historical military/oligarchy alliance which has been their government. The uprisings in the past have been the result of the need for land—of the hope of obtaining the right to a life that allows survival.

Now is the time for the United States to take a role in emphasizing a political solution to the problems in El Salvador. A negotiated settlement which involves all parties in the conflict must be our policy in El Salvador. European nations and countries in our hemisphere understand this and could aid in this pursuit. We should make sure that President Duarte knows that continued U.S. aid is contingent upon his controlling the security forces under his government's jurisdiction. The United States must wisely lever aid to secure a peaceful settlement that results in a new, broadly based political structure for the Salvadoran people. The alternative is continued civil war and violence that could result in the deaths of hundreds of thousands of Salvadorans. Such a situation is unacceptable, but likely given the current course of U.S. policy.

Let us make it perfectly clear that we have not lost interest in the investigation into the murders of six Americans. Let us make it clear that we support reform and that human rights and democracy are the bulwark of our foreign policy.●

EXPORT-IMPORT BANK FINANCING NOTIFICATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. NEAL) is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker, I am notifying the House today of the U.S. Export-Import Bank's proposal to help finance the sale of 18 Boeing Co. jet aircraft and related spare parts to Ansett Airlines of Australia. This transaction would make possible the export of nearly \$457 million worth of U.S. goods.

The Eximbank is prepared to extend a direct credit of \$289,251,000 to facilitate this sale. Ansett Airlines is prepared to buy five B-767's, four B-727's, and nine B-737's. The airframe components of the planes will be made by the Boeing Co., the engines by the General Electric Co. and by Pratt & Whitney. These three companies will subcontract with numerous other U.S. firms.

This notification from Eximbank was referred to me as chairman of the Banking Committee's Subcommittee on International Trade, Investment and Monetary Policy. Section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, requires that the Eximbank notify Congress of proposed loans or financial guarantees, or combinations thereof, of \$100 million or more. Unless the Congress determines otherwise, the Eximbank may give final approval to the transaction after 25 days of continuous session of the Congress after notification.

This Ansett loan has been the subject of many newspaper reports. I hope that my colleagues will read the official Eximbank notification, which provides a detailed account of the proposed transaction and includes the terms and particulars of the financing arrangement.

I would welcome any comments or questions my colleagues may have about this notification. The Eximbank material follows:

EXPORT-IMPORT BANK OF THE UNITED STATES.

Washington, D.C., March 5, 1981.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES,
The Speaker's Room,
The Capitol,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States House of Representatives with respect to the following transaction involving U.S. exports to Australia.

A. DESCRIPTION OF TRANSACTION

1. Purpose

Eximbank is prepared to extend a direct credit of \$289,251,000 to Ansett Aviation Equipment Pty. Ltd. ("AAE"), with the unconditional guarantee of the Government of Australia. The purpose of this Eximbank financing is to facilitate the purchase in the

United States by AAE of 18 new Boeing jet aircraft and related spare parts (5 B-767s, 4 B-727s and 9 B-737s). The engines for the aircraft are manufactured by General Electric Company and Pratt & Whitney. The total U.S. export value for this transaction is estimated to be \$456,893,300.

2. Identity of the parties

AAE is a wholly-owned subsidiary of Ansett Transport Industries Limited, which is also the parent of Ansett Transport Industries (Operators) Proprietary Limited ("Ansett"). Ansett operates Ansett Airlines. Ansett's current fleet consists of 12 DC-9s, 11 B-727s and 11 F-27s. Ansett, which is one of the two major domestic airlines in Australia, will lease the financed aircraft from AAE. Eximbank has dealt with Ansett (the parent company) since 1966, and its experience on all the Ansett credits has been good.

3. Nature and use of goods and services

The principal goods to be exported from the United States are the above-described aircraft, which are to be used by Ansett on its existing domestic routes. The airframe components will be manufactured by the Boeing Company of Seattle, Washington. The engines for the aircraft will be manufactured by General Electric Company's jet aircraft engine division in Cincinnati, Ohio and by Pratt & Whitney in Hartford, Connecticut. The three companies will subcontract with numerous U.S. companies for major portions of the airframe and engine manufacture.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons

The Eximbank Credit of \$289,251,000 will facilitate the export of \$456,893,300 of U.S. goods and services. Sales, profits and employment of U.S. aircraft manufacturers and their subcontractors are heavily dependent upon exports. Through 1990, aircraft purchases by foreign airlines are expected to account for approximately 40% of total U.S. aircraft sales.

The Boeing Company estimates that the export of the aircraft will provide 10,575,100 man hours of work for the company and its sub-suppliers. Additional benefits which will flow to the United States from the transaction include sizable follow-on exports of spare parts, ground support and other related equipment.

In 1979 Ansett decided on a major expansion of its fleet of aircraft. In the same year, Trans Australia Airlines, the government-owned airlines which is Ansett's only major domestic competition, decided to purchase 4 Airbus A-300 B4 aircraft, with an option for 8 additional aircraft. The two airlines had

long followed a policy of buying the same kind of aircraft, so Ansett's initial consideration was of the Airbus. On February 11, 1980, Airbus offered to sell to Ansett 4 Airbus A-300 B4 aircraft, with options for 6 to 8 additional aircraft. The financing offer for the firm sale was for 85% cover in a basket of European currencies and U.S. dollars, with a blended interest rate of 7.95%.

The Boeing Company had also been negotiating with Ansett for the purchase of its planes rather than the Airbus. On February 19, 1980 Boeing and Ansett informed the Bank that Ansett was about to make a final decision on the purchase of the new aircraft, either the 12 Airbus A-300 B4s or a package of Boeing planes.

In response to its statutory mandate to provide credits at rates and terms which are competitive with those provided by the government supported export credit agencies of other countries, the Board of Directors of the Bank on February 28, 1980, authorized a preliminary commitment covering the sale of five 767's, four 727's and nine 737's. The Eximbank financing so authorized appears to have been a significant factor in overcoming the favorable financing offered by Airbus and in winning the sale for the U.S. suppliers.

2. The financing plan

The financing plan for the total U.S. procurement supported by Eximbank is as follows:

	Percent of U.S. costs	Total
(1) Five B-767's:		
Cash payment.....	15	\$35,261,000
Eximbank credit.....	85	199,813,000
Total.....	100	235,074,000
(2) Four B-727's:		
Cash payment.....	15	10,442,000
Eximbank credit.....	49.6	34,550,000
Private financing ¹	35.4	24,624,000
Total.....	100	69,616,000
(3) Nine B-737's:		
Cash payment.....	15	22,830,300
Eximbank credit.....	36.1	54,888,000
Private financing ¹	48.9	74,485,000
Total.....	100	152,203,300

¹ Without Eximbank guarantee.

(a) Eximbank Charges

The Eximbank Credit will bear interest as follows:

- Five B-767s, 8.0% per annum.
- Four B-727s, 8.375% per annum.
- Nine B-737s, 8.4% per annum.

Attachment 2.—AUSTRALIAN KEY ECONOMIC INDICATORS

[All values in U.S. dollars are in millions (unless otherwise specified)]

	Fiscal year 1978	Fiscal year 1979	Fiscal year 1980	Percentage change ¹
Exchange rate: U.S. dollars = Australian dollar.....	0.869	0.905	0.864	
Income, Production, Employment				
GDP at current prices.....	136,094	113,381	131,756	+12.5
GDP at constant fiscal year 1974-75 prices.....	98,797	76,373	80,374	+2.2
Per capita GDP, current prices (dollars).....	9,551	7,861	9,075	+11.8
Plant and equipment investment.....	5,076	5,383	5,308	-5.9
Household disposable income (current prices).....	96,275	80,590	91,971	+10.5
Industrial production index 63-64 = 100.....	162	173	177	+2.3
Weekly wage rate index 54 = 100 (adult males).....	541.9	587.8	627.3	+6.7
Average weekly earnings (males) (dollars).....	231.42	176.77	205.07	+6.3
Labor force (thousands).....	6,384.2	6,446.9	6,638.8	+2.9
Unemployment rate (percent).....	6.1	6.0	6.1	+1.7
Money and Prices				
Money supply (M3).....	59,163	49,182	57,316	+12.9

The overall blended interest rate for the Eximbank and the private credits (together totaling 85% of the U.S. Costs) at current market rates is estimated to be about 9.75%. The interest is payable semiannually. Eximbank will charge a commitment fee of 1/4 of 1% per annum on the undisbursed part of the Eximbank Credit.

(b) Repayment Terms

Aggregate disbursements under the Eximbank Credit and the Private Financing will be repayable in 20 equal, semiannual installments as follows:

(1) Five B-767s: Two repayment schedules: one schedule for the first four aircraft delivered, with repayment beginning June 30, 1983; and one schedule for the fifth aircraft delivered, with repayment beginning February 28, 1985.

(2) Four B-727s: One repayment schedule, beginning February 15, 1982, with the Private Financing being repaid first.

(3) Nine B-737s: Three repayment schedules, with the Private Financing being repaid first: one schedule for the first four aircraft delivered, with repayment beginning January 30, 1982; one schedule for the next two aircraft delivered, with repayment beginning April 30, 1982; and one schedule for the last three aircraft delivered, with repayment beginning July 30, 1982.

(c) Additional Information

Attached is additional information on Eximbank activity in and economic data on the country involved in this transaction.

Sincerely,

JOHN L. MOORE, JR.

Attachments.

ATTACHMENT 1

EXIMBANK EXPOSURE IN AUSTRALIA AS OF JAN. 31, 1981

[In thousands of dollars]

	Outstanding	Undisbursed
Direct loans.....	\$149,979	\$23,320
CFF loans.....		
Financial guarantees.....	3,074	
Bank guarantees and other.....	6,766	6,000
Insurance.....		
Medium-term.....	7,150	4,125
Short-term.....	51,099	
Total for Australia.....	218,068	33,445

DEFAULTS AND RESCHEDULINGS

In the past ten years our only problem loans and guarantees have been the ones for the Greenvale Nickel Project (private sector), which have been restructured three times.

Attachment 2.—AUSTRALIAN KEY ECONOMIC INDICATORS—Continued

[All values in U.S. dollars are in millions (unless otherwise specified)]

	Fiscal year = July 1 to June 30	Fiscal year 1978	Fiscal year 1979	Fiscal year 1980	Percentage change ¹
Interest rates:					
Savings bank deposit rate.....		3.75	3.75	3.75	0.0
Commercial bank overdraft rate.....		10.50	10.50	10.50	0.0
Consumer Price Index fiscal year 1967 = 100.....		247.6	269.4	298.4	+10.8
Wholesale price index fiscal year 1969 = 100 ²		221.6	255.3	289.2	+13.3
Retail sales current prices.....		35,506	29,120	33,676	+11.9
Balance of Payments and Trade					
Gold plus foreign exchange reserves.....		4,421	3,928	6,334	+56.2
Balance of payments (net monetary movements).....		-817	-139	-342	-138.7
Trade balance.....		1,663	551	3,086	+442.7
Exports, FOB.....		18,497	15,968	21,858	+32.6
U.S. share (dollars).....		1,456	1,998	2,380	+15.4
U.S. share (percent).....		7.9	12.5	10.9	
Imports, FOB.....		16,834	15,417	18,772	+17.2
U.S. share (dollars).....		2,621	3,617	4,139	-1.1
U.S. share (percent).....		15.5	23.5	22.0	

¹ Percent changes calculated in Australian dollars. Fiscal year 1979-80.

² Manufactured articles.

Note: Principal U.S. exports to Australia: Machinery specialized for particular industries (\$442); general industrial machinery and equipment n.e.s. and machine parts n.e.s. (\$352); miscellaneous manufactured articles (n.e.s.) (\$250); office machinery and automatic data processing equip. (\$299); road vehicles incl. air-cushion vehicles (\$273). Principal U.S. imports from Australia: Meat and meat preparations (\$879); metalliferous ores and metal scrap (\$703); non-ferrous metals (\$145); other transport equipment (\$82); fish preparations, mollusks and crustaceans (\$83).

Sources: Australian Government Publications and Australian Bureau of Statistics.

SUMMARY OF ANSETT FINANCING PLAN

Planes	Number	U.S. export value of sale	Eximbank loan amount	Percent Eximbank loan cover	Percent of total Eximbank loan	Eximbank interest rate
B-767's.....	5	\$235,074,000	\$199,813,000	85.0	69.1	8.0
B-727's.....	4	69,616,000	34,550,000	49.6	11.9	8.375
B-737's.....	9	152,203,300	54,888,000	36.1	19.0	8.40
Totals.....	18	456,893,300	289,251,000	63.3	100.0	¹ 8.12

¹ In addition to the 8.12 percent Eximbank interest rate there is a 0.5 percent per annum commitment fee on any undisbursed part of the Eximbank credit and this usually averages 0.2 percent spread over the life of the loan, so the total Eximbank charges will amount to about 8.32 percent.

Note.—At a Libor rate of 17 1/4 percent, and the private financed portion at 0.5 percent above Libor, the overall blended Eximbank and private bank rate on the 85 percent financed portion, after a 15 percent cash payment, is 9.75 percent, including commitment fee.

CONTROLLING THE JINNI: OSHA LABEL INQUIRY DUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 20 minutes. ● Mr. GAYDOS. Mr. Speaker, I want to note for the record of the House that an early act of the new administration was to withdraw proposed labeling regulations for industrial chemicals. Mr. Speaker, such compounds are used by millions of workers, and in almost every district represented here, they are a specie of modern-day jinni capable of great service and great harm, often on a delayed-action basis.

To understand what has happened, and why, the Subcommittee on Health and Safety will hold hearings next month.

Deflecting the harm of these powerful compounds is the issue, and in the folklore of the jinni, always bent on evil but often manipulated to good, we have a parallel and, perhaps, guidance.

Chemicals in new combinations are put to use regularly in industry, and knowledge of their full power, for destruction or good, runs behind the wizardry of their creation. Currently more than 55,000 substances and compounds are in use, the Council on Environmental Quality says.

Thus powerful agents with tongue-twisting names of six and seven syllables

give us on demand better goods, but their power is not spent in the act of creation. Buried in the tissues and organs of the workers who work miracles of productivity with them, they abide for years to deliver later nasty surprises such as cancer, premature disability, and in many cases, even early death.

From the Arabs we get many things, some at overwhelming prices and some only for the taking: Oil, our system of numbers, and the concept of the jinni, a malevolent spirit of supernatural power that means only harm to humanity but which can be made by cleverness to benefit man; cleverness is the thing we need to give attention.

All jinn were imprisoned by Solomon, the folk stories say, forced into bottles, kept there by seals bearing the name of God, and thrown into the sea. From that time foolish mankind began to find bottles, break seals, and face the fury of jinni.

Fear was the first emotion of those facing a jinni out of the bottle and, for those who lived, rational thought was the second. They had certain knowledge of something serious on their hands, and they devised a way to deal with it.

If the jinn's bottles had borne some warning—caution: Efrits and ghuls inside—mankind still would have opened them, for that is the nature of man; but more would have survived had they knowledge of what awaited.

Some from of widely available information would tell workers that spirits will greet them when they work with those drums, containers, transfer pipe and tanks; and some kind of record-keeping would allow them to know that they have worked with, and what might happen, as knowledge of destructive power is found.

Secretary of Labor Ray Donovan said the labeling regulations were withdrawn for more study and, perhaps, discovery of a better, less expensive way to deal with our two-edged creations. The matter is in the hands of the new managers at the Occupational Safety and Health Administration (OSHA).

An OSHA spokesman, noting the action came at the direction of the White House, said this week that no new proposal is expected any time soon.

OSHA is 10 years old this year, Mr. Speaker, and labeling of industrial chemicals was one of the hypothetical protections suggested in 1970 for the then-proposed agency in the committee reports.

Meanwhile, those who work with these chemicals speak with heat and wonder if the idea of labeling will ever be heard again. They note that the proposal of regulations was meant in the first place only to start the public discussion Secretary Donovan said is needed.

We are in a time of creating new things, which also is a time of promise and constructive activity for people of good motive, and there is no reason to suppose that any involved on any side of the question are other than that at the present.

So this is a development of high interest to me, as chairman of the Subcommittee on Health and Safety, and to the committee; it is a question into which we will inquire as a matter of oversight. Unions representing workers will be invited along with the employers' representatives and, ultimately, Secretary Donovan and Assistant Secretary for Occupational Health and Safety, Thorne Auchter.

The first of these hearings is scheduled for 10 a.m., Tuesday, April 7, 2257 Rayburn Building.

We cannot manipulate this industrial-age jinni back into the bottle, but we can handle it rationally and in a way that serves the interests of workers and industry. ●

EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 15 minutes.

● Mr. BINGHAM. Mr. Speaker, I am deeply troubled by the Reagan administration's policy in El Salvador, which appears to be seeking a military solution to what is essentially an internal conflict arising from deep-rooted social and economic problems. By mounting a full-scale press campaign and pursuing a major diplomatic offensive in Europe and Latin America, the administration has publicly drawn the battleline against the Soviets in this tiny Central American country. It has now taken a major substantive step toward military involvement by agreeing to provide 54 American military advisers and substantial quantities of weapons and other military equipment. This is hauntingly reminiscent of our past "gunboat diplomacy." Once again we appear in the eyes of the world to be seeking to impose a military solution on a small Central American country, while virtually ignoring legitimate demands for social and political change. Although the administration has provided convincing evidence that the guerrillas fighting for control of this country have received large-scale arms aid from Communist sources, with Cuba playing a key role, effective steps to stem this arms flow can be taken without the bellicose rhetoric chosen by President Reagan and Secretary Haig. Our aims should be focused on the internal sources of the conflict, recognizing the Communist aid to insurgents for what it is: An attempt to win political gains cheaply by putting communism in the role of supporting legitimate revolutionary change and the United States

in the position of shoring up bankrupt military regimes.

I am outraged and saddened by reports of continuing human rights violations in El Salvador, which include abduction, indiscriminate violence and over 10,000 killings last year. The brutal murders of four U.S. missionary women and three labor leaders, two of whom were Americans, were particularly heart rending. The suspected involvement of national security forces, who are ostensibly under government control, is abhorrent and deserves to be condemned in the strongest possible terms. I greatly fear that the Reagan administration's decision to provide increased military aid to the Salvadoran junta, without making it conditional on continuing progress of economic and social reforms, could send the wrong signal to these murderous right-wing elements and encourage them to attempt a military coup.

A very tempting response to the President's policy would be to support legislation terminating all military aid to the Salvadoran Government. However, I have so far refrained from doing this because I still have some hope that the moderate, centrist civilians in the present government can be sufficiently strengthened to control the renegade security forces and continue to implement needed social and political reforms. I am impressed with the judgment of former Ambassador White and several democratic Latin American leaders, notably President Carazo of Costa Rica, that the Duarte government offers the only viable moderate alternative to the two extreme left- and right-wing factions, both of which are responsible for brutal excesses. Carazo has stressed, however, that pressure for economic and political reforms must accompany military assistance. I was also struck by the complete failure of the leftist insurgents to obtain popular support for their January "final offensive," which belies claims that they represent the majority of the Salvadoran people. More recently, Archbishop Rivera y Damas, a respected moderate Catholic leader in El Salvador, declared that the left has lost the backing of the people. As long as there still exists a possibility that the moderate element of the ruling junta can stop rightist violence and implement an effective reform program, I will not oppose military aid which is conditional on progress in these areas.

Specific conditions which I believe should be tied to our assistance include strong and successful measures by President Duarte to control the violence-prone security forces; continued progress in the land distribution program; concrete moves toward holding countrywide elections; and serious discussions with the democratic elements in the opposition about developing a

political solution. To the extent that U.S. military and economic aid give leverage toward accomplishing these goals, it would be a mistake for such aid to be prohibited.

Senators KENNEDY, TSONGAS, LEAHY, and LEVIN have introduced a bill in the Senate which would establish conditions for the continuation of military assistance to El Salvador, but the listed conditions, while quite detailed, do not cover all the points that especially concern me. Other Members of the House are working in similar legislative ideas. I am developing a bill of my own which I expect to introduce shortly.

As the Foreign Affairs Committee proceeds to the consideration of foreign aid legislative recommendations submitted by the Reagan administration, the various proposals for prohibiting, or setting conditions for, the continuation of military assistance to the Government of El Salvador will be carefully reviewed. At that time I will do what I can to see that appropriate conditions are imposed in the bill that is reported to the House. ●

GRAIN STORED IN BANKRUPT ELEVATORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN) is recognized for 5 minutes.

● Mr. GLICKMAN. Mr. Speaker, today I am introducing legislation to protect the rights of farmers who have grain stored in elevators involved in bankruptcy proceedings. I am joined in this effort by my colleague from Nebraska (Mr. BEREUTER) and my colleague from Kansas (Mr. ROBERTS).

Under present bankruptcy law, interested parties may file a motion for relief against the stay. If a farmer follows that procedure, his motion is considered en masse with the others. Action can take a considerable amount of time. Most affected businesses can withstand some delay without seriously injuring their operations. But, in the uncertain, price-volatile business of farming, any delay in the disposal of the commodity can cause serious hardships. First, the grain in a bankrupt elevator is generally the sole marketable asset of a farmer's operation. If the disposal of the grain is tied up for any length of time, the viability of the entire farm enterprise may be jeopardized. In fact, I am aware of a number of situations where farmers involved in elevator bankruptcies were forced to declare bankruptcy since they were not able, themselves, to remain solvent during the long time needed to settle the elevator bankruptcy.

Second, any time agricultural commodities are being marketed, a large degree of price volatility should be as-

sumed. This is particularly true today when a brief rain shower in western Kansas causes the price of wheat in Kansas City to drop 10 cents in just 1 day. Bankruptcy judges simply should not be left with the burden of responsibility for determining when to put grain on the market. Instead, upon application by the farmer, the judge should make every effort to promptly deliver the grain in question.

While some bankruptcy judges are sensitive to the particular situation of farmers and move quickly to clear up any claims, other judges, with no ill will, simply do not. My legislation would address that latter situation in an uncomplicated, yet, I believe, effective manner. This bill would require that priority attention be given to resolving claims to agricultural producers involved in elevator bankruptcy cases, who seek relief. My legislation works within the existing bankruptcy statute and merely strengthens the law as far as the need for priority action for fungible, perishable commodities.

And let me assure you this is a very real problem. As a member of both the Agriculture and Judiciary Committees, I am very disturbed about the increasing number of grain elevator bankruptcies around the Nation and the consequent problems which have confronted America's farmers.

No one can deny that the farm sector of our economy is in a weakened position. Inflationary costs of production are simply not being offset by comparable increases in commodity prices, with the grain embargo being one of many causes for the slump. More and more farmers, unable to sustain losses year after year, are going out of business.

But, as we all know, these tough times are not confined strictly to farmers. People who do business with farmers are facing insolvency as well. Therefore, there has been an acceleration in the frequencies of grain elevator bankruptcies.

We all know that bankruptcy can be very disruptive. It can leave guiltless, hard-working people who conduct business in good faith with limited recourse while protecting the debtor's status. In urban areas, bankruptcy generally affects only a narrow sector of usually diversified business communities. In the case of a bankrupt grain elevator, however, the entire economy of a nearby farm community can be disrupted.

A few weeks ago, the tremendous and devastating impact of a bankrupt elevator on farmers was highlighted by Wayne Cryts, a Puxico, Mo., farmer. Cryts had 31,000 bushels of soybeans stored in a local elevator which declared bankruptcy. Under the bankruptcy stay, Cryts could not retrieve his beans although he had a

warehouse receipt clearly indicating that they were his.

Cryts tried for 9 months to get the soybeans released, but the bankruptcy became snarled preventing the timely relief he so desperately needed. In frustration, Cryts, with the help of other local farmers, recovered the beans in defiance of the bankruptcy proceedings.

There is no reason why a farmer should have to wait 9 months to retrieve what is rightfully his, particularly when his commodity is both perishable and fungible. Yet, the bankruptcy involving Wayne Cryts' soybeans is unfortunately not an isolated incident. Bankrupt elevators are becoming increasingly common, evidence of the underlying weakness of our farm economy. Some farm States have had as many as eight elevator failures in 1 year. Most of those failures have involved millions of dollars in agricultural commodities.

State regulations on the licensing of grain elevators are uneven at best. Some States, like Kansas and Illinois, have established bonding programs to protect farmers against losses in case of elevator bankruptcies. Other States provide little or no protective mechanism.

Regardless of how States regulate elevators, there is a real need to assure farmers who have commodities in elevators gone bankrupt that they can secure prompt release of the commodities once they prove they are the rightful owners.

My bill would require no Federal expenditures since it merely makes a minor clarification to assure priorities in judicial proceedings. It would not set up any new program to deal with the broader problem of insolvent elevators which may warrant some other action at some point if we want to resolve the underlying problem. In fact, legislation to establish a Federal Grain Insurance Corporation to protect producers against elevator bankruptcies was introduced in the 95th Congress and I understand, similar legislation is being introduced in this Congress. Such a corporation would be modeled after the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. But that is not my intent here; my aim is to make the adjudication process in bankruptcies more responsive to the particular circumstances when agricultural commodities are involved.

The legislation is direct and to the point. It reads as follows:

Section 362(e) of title 11, United States Code, is amended by adding at the end thereof the following: "The court shall give priority to a preliminary hearing, and a final hearing and determination, on a request of an agricultural producer for relief from a stay of an act against an agricultural commodity stored by such producer in a grain elevator which is a debtor in bank-

ruptcy or which is property of an estate in bankruptcy."

My bill would provide an effective and uncomplicated solution to insure the rights of farmers involved in bankrupt elevators. I invite Members to join me in correcting the current inadequacy by cosponsoring the legislation. ●

REAGANOMICS: RICH MAN'S WAR, POOR MAN'S FIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

● Mr. GONZALEZ. Mr. Speaker, at long last we have seen the revised budget program of the Reagan administration. Many details remain to be settled, but at least we now have an idea of who is going to be asked to sacrifice for the greater good of the country: It is the poor, and it is those who are struggling to find the money to buy a home, get an education, buy a meal, or get medical care. The war on inflation is, bluntly, a rich man's war and a poor man's fight. It is the well-off who get the bulk of the benefits of the Reagan budget, not the poor, and not the ordinary wage earner.

We have been told that the Federal budget is out of control, but that is not true; how many new programs were started in the past 4 years? How many programs were even expanded in the past 4 years?

We have been given the illusion that the Reagan plan would cut Government spending, but that is not true. The fact is that every spending cut proposed is offset by huge increases in expenditures elsewhere. Yet, the attention of the Nation is riveted on just the cuts, not the additions.

We have been told that we can achieve three contradictory goals: Balanced budget, lower taxes, and vastly greater military outlays—all at once. Yet, the fact is that all of this rests on the assumption that our economy will perform at levels enormously greater than the forecasts of any responsible economist. The truth is that the monetary policy called for by the administration will greatly constrain growth, which in turn means that the tax cuts called for are likely to lead to greater deficits than we have now—even if the Congress gives Mr. Reagan all that he demands by way of budget reductions.

We have been told that the Federal Government is doing too much, and that there are no political considerations in any of the budget recommendations that have been sent up. The truth is that the budget program is not an economic program at all. It is simply a political agenda, an agenda to roll back the clock, an agenda to eliminate the social and domestic programs that have served this country so well.

We are being told that it is up to us to justify why these programs should continue. The truth is that the burden of proof is on those who want to dismantle these programs. It is up to them to prove that this country has no unmet needs, that we do not need to have a social conscience, or indeed any conscience at all. It is up to them to show why housing programs are not needed or do not work—because we know that they are needed and do work.

We have been told that the country cannot afford to have a conscience, cannot afford compassion. But the burden of proof is on the Reagans and Stockmans to show that we can afford to ignore the festering sores of city and countryside. The question is, can we afford not to have these programs? What is the price of destroying programs that provide jobs, programs that provide training, and programs that tell people they have some worth and dignity, and hope for the future? What compelling reason do we have to turn our backs on our own people?

Anomalies abound in the Reagan budget; inexplicable assumptions lie throughout. Take medical care. They say that Medicaid payments will in the future be indexed to the cost of living, not the cost of providing medical care. This is the same cast of characters who opposed any effort to control rising hospital costs. Now they are saying that hospital costs will not, cannot, go up faster than the cost-of-living index. This not only ignores what the experience of the past has been with hospital costs; it ignores the reality that Medicaid payments are already far under the actual cost of providing care. It ignores the fact that it is the full-pay patient who has to make up a good part of that difference. The result of this curious proposal is surely going to be higher hospital bills for the bulk of patients who are already hard pressed to find money to pay inexorably rising insurance premiums. This is but one case in which the rich need not be concerned—but the middle class will foot the bill, and the poor will face greater needs with less help than ever before.

The administration preaches that it has not made any exceptions to the stringency diet on political grounds; that would be too crass. Yet they plan a \$100 million increase for a breeder reactor project in Tennessee, a project that President Carter found wasteful and not likely to be needed until sometime in the 21st century, if then. It is just a happenstance, I suppose, that this delightful bauble goes to the State of the Senate majority leader, who happens to be of the President's party and keenly interested in helping his own State. How can they say that subsidies for nuclear power are fine, but subsidies for solar power are not? It could be that the nuclear power

subsidies go to huge corporations, but solar power is the realm of small entrepreneurs who did not have the price to buy inaugural tickets or underwrite the expenses of redecorating the White House.

We are told that this administration wants to get people back to work, and yet at the same time they propose dismantling the very same programs that provide jobs and training. It is impossible to have workfare if there is no work, and especially when the economic program calls for creating even more unemployment than we have today. We are told that close to a half million families will be taken off food stamps, but that the truly needy will suffer no harm. Yet, they would not be on food stamps in the first place if they could not demonstrate need. There is not that much fraud in the program, not that much waste, and not that much abuse, and administration witnesses have confessed to that fact.

If the administration's program is immune to politics, why do they call for continued subsidies to tobacco growers, even while they call for ending special nutrition programs for women, infants, and children? Is that the price of keeping a certain Senator happy?

The administration says that they like the urban homesteading program. It rewards those who want to work and take a risk to restore center city housing. Yet they propose to kill the one program that finances urban homesteading and makes it possible in the first place. They want to continue the urban development action grant program, but provide no money for it. In fact, in the community development function, they propose adding \$1.8 billion worth of programs to block grants, but no money to pay for those operations. It is hard to imagine a more cynical approach than that. They say, in other words, that these programs are beneficial, they are worthwhile, and they are needed—but that there will be no money for them. They build a Potemkin Village—fine facades, but nothing behind the painted scenes.

We are being told that something as basic, workable, proved, and self-financing as the FHA loan program is no longer necessary. That kind of statement is absurd. What they should be saying is that they just do not want it, not because it hurts the budget any, but because taking out FHA makes the budget look smaller. The economic effect, however, is simply to wipe out the ability of the most vulnerable home buyers to get into new housing. If FHA folds, there will be a vast number of self-sufficient, hardworking people, who will not get to buy a home. They are not striking out at bloated government with this proposal; they are striking at the hopes and

dreams of ordinary citizens who want to buy a home, a modest one at that.

We have to ask whether or not we really want to help people own homes, whether or not we really want to have a revival of construction in this country. It is not enough to buy the dubious assumptions being thrust upon us, and assume that after 1 or 2 years everything will be rosy. Where is the evidence to support their forecasts? Where is the showing that their program works? We cannot afford to sit back and take the Hoover stance that all the country needs is a little dose of confidence. We cannot afford to fail to ask what the price is behind all those slogans.

Looking at the budget, looking at the tax proposals, it is plain that those who have no need to worry about their security will be given less reason to worry, because they will get more than they now have. As for those who have nothing, they will be consigned to the bottom of the heap, no way out, and probably lose any little hope they may now have for themselves, even for their children. And as for the great mass of people, they are being told that they need to work harder, maybe earn less, and wait for better times. We're all spoiled children, they say. And they also present us with a program that says, God helps those who get the best tax breaks.

The war on inflation is, in short, a rich man's war and a poor man's fight, if we fight it on the terms dictated by Mr. Stockman. It is too bad he does not have to experience life in the so-called safety net. If the Reaganites had to live with those who are being drafted and offered up for sacrifice in the fight against inflation, they might possibly develop a little of that commodity that is devoid from their program—compassion, and real help for those in real need.●

EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EDGAR) is recognized for 5 minutes.

Mr. EDGAR. Mr. Speaker, I have asked to take 5 additional minutes to talk about the subject of El Salvador. As 20 or so Members of the Congress took the well to give a 1-minute speech, there was some concern by some, on the other side particularly, that the subject of El Salvador is not important enough to take the early moments of this House session to talk about it. I would like to assure my colleagues and everyone in the United States that El Salvador is critical to us as a nation, not critical in terms of sending advisers or bullets, but critical in terms of the very spirit and very nature of our Nation.

My colleague, GERRY STUDDS, from Massachusetts, and my colleague, BARBARA MIKULSKI from Baltimore, and I had the privilege and the opportunity to travel to Costa Rica and Nicaragua and into Honduras, and, while in Central America, to keep an eye on and listen carefully to the problems that we face in El Salvador and Guatemala.

I was privileged to be taken by Charles Boazch to a refugee relief coordinator in Honduras, to the hill country between Honduras and El Salvador. I found there things that our State Department and our CIA were not admitting.

I found 25,000 to 35,000 refugees. I found people who were fleeing the violence in El Salvador, but not, as was suggested by our Embassy, fleeing the guerrillas from the hills. In fact, the death, the rape, and the torture and the crop burning that was described by the peasants and the refugees that I talked to was all committed by the very government and by the very military that we are now extending our lethal bullets and aid to.

I think the United States has a responsibility in Central America not to repeat the mistakes we have made for the last 50 to 100 years. I think the United States has a responsibility to use its good offices in Central America to seek peace and to seek a political solution.

I think the United States ought to stand up and be counted for human rights and for good government and for justice. I think the United States ought to say to Mexico and Venezuela, to Germany and other nations of the world: "Help us to bring together the five or six factions on the left and the many factions within the military of El Salvador and the present government in El Salvador and bring those factions to the negotiating table, to set a time line for peace and for elections and to let the people rule."

Unfortunately, our Secretary of State, Alexander Haig, and our President, Ronald Reagan, I believe misunderstand the indigenous nature of the revolution in El Salvador. They misunderstand the role of the Maryknolls and the Jesuits and the Sisters of Mercy nuns who are bringing healing to the peasants who have been oppressed and repressed for generations.

I think the administration in its labeling of left and right misunderstands the nature of the conflict. I would hope we could regain the real prestige and spirit of the United States by shifting our policy and respecting the rights of human life in Central America.

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

Mr. EDGAR. I am pleased to yield to my colleague from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, I want to commend the gentleman on what

he is saying. Let me say something else I think this administration fundamentally misunderstands, and that is the American people and what they said last November.

This morning in the House Foreign Affairs Committee we heard for some 2½ hours from the Secretary of State, General Haig. As I listened to him, my thoughts went to the mail which I know the gentleman has received and which I have received, which Congresswoman MIKULSKI and others who have spoken out nationally on the question of American policy in El Salvador have received, and which we now know the White House received. As the gentleman knows, the White House, in an astonishing admission last week, conceded that its own mail on El Salvador is running dramatically against the policy of this administration, and that is that the American people did not vote for what they now find happening.

The foreign aid applications or requests of this administration are absolutely staggering. For example, in one of the few statements of the Secretary of State which I thought constituted an insight of some consequence, he warned about the Russians and the Third World. He said Third World countries have learned, quite correctly, to beware of Russians bearing arms. So the Soviets have had disaster after disaster in the Third World because they have offered themselves as the donors and the sellers of arms, and shortly thereafter they have shown very little if any concern for the primary, overriding economic and social problems of these nations.

Fine. I think that is right. I think that is a precise analysis of what has gone wrong with Soviet policy.

But then the Secretary of State presented to us a budget document for our own foreign aid program which mimes the Russians, which has us increasingly doing precisely what it was, it seems to me, he so accurately caught the Russians doing wrong themselves.

Do my colleagues know what they have asked this Congress for with respect to economic aid? Down in every category, down in health, down in education, down in nutrition, down in population planning by some one-half billion over what the Carter administration had asked.

Mr. Speaker, as the gentleman I am sure knows, we then looked to the military ledger. It is up in military education and training, up in military sales, up in military assistance by another half billion dollars. In the next 5 fiscal years the new administration would have us spend \$11 billion less on foreign economic and humanitarian assistance and an analogous amount more on military assistance.

This, as I say to the gentleman, I think represents a fundamental mis-

understanding of the people of this country, of what they said when they spoke out against the preceding administration so loudly and clearly last fall, and perhaps even more devastating, it seems to me, it represents a fundamental misunderstanding of what it is that makes this country unique in the history of the world and on the world stage, the values, the ideals and the traditions which each of us was taught in school, which many of us have carried into public life, thinking that it does make a difference whether one is born in the United States or born in the Soviet Union, a difference rather than an accident of geography and birth that is a fundamental difference of values that separates us, and the policies of our Nation ought to reflect those differences.

I commend the gentleman. I am sure we could both talk at enormous length on the subject. I suspect that maybe we will have to. If the gentleman will yield further to let me echo what he was saying, I am disappointed at the lack of voices speaking out in this Congress. We do have 73 cosponsors of this legislation to terminate military assistance. While that is 73 more votes than were cast against the Gulf of Tonkin Resolution when it went unanimously through this House, it is nonetheless not enough. It does not reflect, I believe, the true feelings of the Members who are here.

I think it is important for our colleagues to understand that the people, as usual, are ahead of us, and that those of us who are supposed to lead might at least be able, if not to summon up the courage to lead, at least to get our act together sufficiently to represent the American people who understand, seemingly far better than we, the ways in which this administration is straying and straying from those things which are most basic and most fundamental to our own country.

Mr. EDGAR. I would like to compliment the gentleman for his statement and leadership on our expedition to Central America. I think the questions and the insights the gentleman has shared are very pertinent.

The gentleman pointed out the fact that the people are, in fact, leading and standing up, writing letters, speaking out, and yet it is the leadership of our Government that is failing to do so.

The Religious Task Force for El Salvador, a group of Roman Catholics, of Methodists, of Presbyterians, have gathered some names on a petition. Let me read for my colleagues what the petition says and recognize publicly that this is their 1-minute speech.

It is as if those 25,000 people have come to Congress to share this petition with us and with the leadership in hopes that we might alter our policy.

The petition reads, and I quote:

As concerned North Americans we cry out against the recent brutal assassinations of four American women religious and six opposition leaders in El Salvador. Since January 1, 1980, more than 10,000 people have been killed in El Salvador by the combined action of government Security Forces and right-wing paramilitary groups. We protest all forms of U.S. intervention in El Salvador which is directly supporting this repression.

We join our voices to the voice of Mons. Oscar Romero, in his February 17 letter to President Carter calling for an end to all military, economic and diplomatic aid to the military government of El Salvador: "The contribution of the U.S. government instead of promoting greater justice and peace will without doubt sharpen the injustice and repression against the organizations of the people."

Nine months later Mons. Rivera y Damas, the successor to Mons. Romero, repeated this call: "We demand that the U.S. government stop military aid * * * which facilitates repression against the people and the persecution of the Church." The Church is persecuted, he said, "because it tells the truth that shakes up the powerful and because it has made a preferential option for the poor of this country."

We demand that the U.S. government immediately and permanently stop all military, economic and diplomatic aid to the military government in El Salvador, and withdraw all military advisors from that country.

We repeat the prophetic words of Mons. Romero one day before his assassination: "In the name of God * * * and in the name of this suffering people, whose laments reach up to the heavens every day with greater intensity * * * stop the repression!"

I share these names and these petitions with the Speaker of the House. I urge him to share them with the President of the United States and with our colleagues, and I urge everyone to cosign the bill introduced by my colleague from Massachusetts (Mr. STUDDS), H.R. 1509, which is a call upon this House to stop the military aid to El Salvador.

Mr. STUDDS. Will the gentleman yield further?

Mr. EDGAR. I yield to the gentleman.

Mr. STUDDS. May I say to the gentleman that I would commend also to our colleagues the testimony last week before the House Foreign Affairs Committee of the Archbishop of Washington, Bishop Hickey, who gave one of the most eloquent statements I have heard. May I reflect, as I did at that time, on the irony, it seems to me, historically. Here we have one of the historically most conservative of institutions, the Roman Catholic Church, and historically one of the most revolutionary institutions, the United States of America, crossing in the night in Central America.

After Vatican II, the Catholic Church in Latin America all of a sudden has come forth to the forefront for social and economic change, and where at the same time has the United States of America gone? We

have gone the other direction time and time again, contrary to our own history and revolutionary origins and ideals. We support the forces of the status quo, of the economics of a social privilege and the brutality of military regimes which have traditionally defended those forces over time.

My colleagues, it seems to me, ought to be aware of that and when they think and perhaps are tempted to give speeches moralizing about the conduct of the Soviet Union and on their brutal invasion of Afghanistan, and as they contemplate what the Russians may be considering doing in Poland, they ought to think very carefully what position we will be in to say anything whatever of any credibility and any moral standing to the Soviet Union if we are increasingly more deeply getting ourselves involved in military intervention in a nation in our own hemisphere. We remove any position from which we can stand in this world with any kind of moral stature and any degree of credibility and say to the Russians, "You must not; that is an action that is indefensible in the world community."

We cannot allow this administration in its bullheaded zeal to somehow draw a line and prove its macho strength to discredit our country so greatly in the eyes of our own people and of the world as to render us essentially an impotent force in international politics.

I commend the gentleman for taking the time.

Mr. EDGAR. Mr. Speaker, I thank the gentleman and yield back the balance of my time.

□ 1630

VETERANS ORGANIZATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. JONES) is recognized for 5 minutes.

● Mr. JONES of Oklahoma. Mr. Speaker, when Franklin Roosevelt addressed Congress after the declaration of war on Japan, he asked a rhetorical question of his audience: "When will this war end?" His answer is as accurate now as it was then:

It will end just as soon as we make it end by our combined efforts, our combined strength, and our combined determination to fight through and work through until the end * * * most certainly we should not settle for less.

The current dangers may not be as immediate now as they were in 1941, but I firmly believe that we must not waiver in our resolve to defend our Nation against all external threats.

In the past, the backbone of our strength has been the interest and active participation of our citizens in the Armed Forces and veterans support groups. Continued active involvement by Americans in such support

groups is vital to the defense of our country.

With these thoughts in mind, I am introducing today legislation with Congressman CONABLE that will insure the future viability of such veterans organizations. These organizations now face a problem with their tax-exempt status that threatens many of their programs.

In 1969, Congress added section 501(c)19 to the Internal Revenue Code. This section granted tax-exempt status to certain groups of veterans. In order to qualify for such status, the group must be comprised of 75-percent war veterans. The remaining 25 percent must be substantially comprised of veterans' widows, military cadets, et cetera.

The problem these organizations now face is simple: With a prolonged period of peace at hand, there are few war veterans leaving active military service. This situation, plus the natural attrition rate among surviving war veterans, is draining down the percentage of these veterans in section 501(c)19 organizations. For instance, one such organization, the Air Force Association, has seen its membership of war veterans go from approximately 90 percent in 1975 to 82 percent in 1978. At this rate, they will drop below the 75-percent rate in the very near future. Other veterans organizations have similar problems.

Section 501(c)19 was enacted at the height of the Vietnam conflict. It was a reaction to the times, and it is no longer responsive to the current climate of peace. If we are lucky enough to avoid armed conflict in the future, it will unduly penalize veterans organizations and stifle their programs.

For these reasons, I have introduced legislation to change the percentage requirements in section 501(c)19. This change would provide that 75 percent of such organizations must be comprised of veterans instead of war veterans. This change will preserve the intention of Congress when it enacted this section. It will preserve the essential character of these organizations as being veteran-oriented. It will insure that their tax-exempt status is not threatened by a combination of natural attrition rates and a lack of armed conflict involving American citizens.

Currently, these organizations are tax exempt on income other than that which is nonbusiness related. Thus, passage of my bill will have no revenue impact. Assuming that nothing is done, and these organizations lose their tax-exempt status, the Joint Committee on Internal Revenue Taxation has indicated the amount collected from these organizations would not be in excess of \$5 million annually. Therefore, the revenue impact of this measure is negligible. Moreover, if these veterans groups lose their tax-

exempt status under section 501(c)19, it is likely they would be forced to suspend many of their activities due to financial considerations. Under this analysis, the Government would not collect any additional taxes due to this change in status, and the Nation and our veterans would lose the benefits provided by these organizations.

I hope my colleagues will support Congressman Conable and me in this effort to provide relief to these noteworthy organizations.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. FIEDLER) to revise and extend their remarks and to include extraneous material:)

Mr. BLILEY, for 5 minutes, on March 19.

Mr. CONABLE, for 60 minutes, on March 19.

Mr. CORCORAN, for 10 minutes, today.

Mr. COLLINS of Texas, for 15 minutes, today.

(The following Members (at the request of Mr. GEJDENSON) to revise and extend their remarks and to include extaneous material:)

Mr. CONYERS, for 5 minutes, today.

Mr. LOWRY of Washington, for 5 minutes, today.

Mr. NEAL, for 5 minutes, today.

Mr. GAYDOS, for 20 minutes, today.

Mr. BINGHAM, for 15 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. STRATTON, for 5 minutes, today.

Mr. IRELAND, for 5 minutes, today.

Mr. EDGAR, for 5 minutes, today.

Mr. DE LA GARZA, for 60 minutes, on March 19.

Mr. PHILLIP BURTON, for 5 minutes, on March 19.

(The following Member (at the request of Mr. STUDDS) to revise and extend his remarks and include extraneous material:)

Mr. JONES of Oklahoma, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. FIEDLER) and to include extraneous matter:)

Mr. DANIEL B. CRANE.

Mr. COURTER.

Mr. GILMAN in two instances.

Mr. LENT.

Mr. LeBOUTILLIER.

Mr. CORCORAN.

Mr. CAMPBELL.

Mr. SENSENBRENNER.

Mr. DORNAN of California.

- Mr. SHAW.
- Ms. FIEDLER.
- Mr. DeNARDIS.
- Mr. MITCHELL of New York.
- Mr. HILLIS.
- Mr. O'BRIEN.
- Mr. MICHEL.
- Mr. COLLINS of Texas in three instances.
- Mr. LOTT.
- Mr. COLEMAN.
- Mr. MARTIN of North Carolina.
- Mr. LUJAN.
- Mr. PAUL in two instances.
- Mr. JEFFRIES in four instances.
- Mr. ROTH.
- Mr. PURSELL in two instances.
- (The following Members (at the request of Mr. GEJDENSON) and to include extraneous matter:)
- Mr. NICHOLS.
- Mr. HAMILTON.
- Mr. ROSENTHAL in two instances.
- Mr. SABO.
- Mr. BEDELL in two instances.
- Mr. STOKES.
- Mr. BRODHEAD in two instances.
- Mr. SKELTON.
- Mr. BENJAMIN.
- Mr. GUARINI.
- Mr. HANCE.
- Mr. MOAKLEY.
- Mr. ECKART in three instances.
- Mr. EDWARDS of California.
- Mr. EDGAR.
- Mr. BONKER.
- Mr. ALBOSTA.
- Mr. KILDEE.
- Mr. SHELBY.
- Mr. AU COIN.
- Mr. WYDEN.
- Mr. FAUNTROY.
- Mr. YATRON.
- Mr. OBERSTAR.
- Mrs. SCHROEDER.
- Mr. HAWKINS.
- Mr. HARKIN in two instances.
- Mr. WEISS in two instances.
- Mr. TRAXLER.
- Mr. McDONALD.
- Mr. JONES of North Carolina.
- Mr. DYSON.
- Mr. BARNES.
- Mr. PEPPER.

ADJOURNMENT

Mr. STUDDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Thursday, March 19, 1981, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

831. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Rail Passenger

Service Act to authorize additional appropriations for the National Railroad Passenger Corporation and for other purposes; to the Committee on Energy and Commerce.

832. A letter from the Acting Assistant Administrator for Planning and Management, U.S. Environmental Protection Agency, transmitting a report covering fiscal year 1980 on the Agency's disposal of foreign excess property; to the Committee on Government Operations.

833. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend section 3006A of title 18 of the United States Code to provide protection against personal liability to the officers and employees of certain defender organizations providing representation under the Criminal Justice Act; to the Committee on the Judiciary.

834. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the Secretary of the department in which the Coast Guard is operating to establish fees for Coast Guard services and for other purposes; to the Committee on Merchant Marine and Fisheries.

835. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Urban Mass Transportation Act of 1964 to provide authorizations for appropriations and for other purposes; to the Committee on Public Works and Transportation.

836. A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting the biennial report on the costs of construction of publicly owned wastewater treatment facilities needed to carry out the provisions of the Federal Water Pollution Control Act, and estimates of those costs on a State-by-State basis, pursuant to section 516(b)(1) of the act; to the Committee on Public Works and Transportation.

837. A communication from the President of the United States, transmitting notice of his intention to proclaim, under the authority of section 502(a)(3) of the Trade Act of 1974, that all member countries of the Andean Group (Bolivia, Colombia, Ecuador, Peru, and Venezuela) and of the Association of South East Asian Nationals (ASEAN) (Indonesia, Malaysia, Philippines, Singapore, and Thailand) shall be treated, respectively, as one country for purposes of the Generalized System of Preferences; to the Committee on Ways and Means.

838. A letter from the Acting Chairman, Consumer Products Safety Commission, transmitting an amended budget estimate for fiscal year 1982, pursuant to section 27(k)(1) of the Consumer Product Safety Act of 1972, as amended; jointly, to the Committees on Appropriations and Energy and Commerce.

839. A letter from the Chairman, National Transportation Safety Board, transmitting the 1980 annual report of the Board, pursuant to section 305 of Public Law 93-633; jointly to the Committees on Energy and Commerce, Merchant Marine and Fisheries, and Public Work and Transportation.

840. A letter from the Comptroller General of the United States, transmitting a report on low productivity in the U.S. coal industry (Mar. 3, 1981, EMD-81-17); jointly, to the Committees on Government Operations, Interior and Insular Affairs, and Education and Labor.

841. A letter from the Comptroller General of the United States, transmitting a report on Federal capital investment policy

(Feb. 26, 1981, PAD-81-19); jointly, to the Committees on Government Operations and Rules.

842. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, to amend the Highway Safety Act of 1966 to authorize appropriations, and for other purposes; jointly, to the Committees on Public Works and Transportation and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA (for himself and Mr. HEFTL):

H.R. 2578. A bill to amend section 203 of the Federal Property and Administrative Services Act of 1949 to authorize the donation of surplus real or personal property for use in connection with a public harbor; to the Committee on Government Operations.

By Mr. BENNETT:

H.R. 2579. A bill to amend title 38, United States Code, to provide a new educational assistance program for persons who enlist, reenlist, or otherwise enter the Armed Forces after December 31, 1980, and to provide a career serviceperson's educational assistance program for members of the Armed Forces, and to amend title 10, United States Code, to authorize an educational leave of absence for members of the Armed Forces; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mr. JOHN L. BURTON (for himself, Mr. WALKER, Mr. CLAY, Mr. DWYER, Mr. FASCELL, Mr. FRENZEL, Mr. JEFFORDS, Mr. LAGOMARSINO, Mr. LOTT, Mr. McGRATH, Mr. PANETTA, Mr. ROSE, Mr. VENTO, Mr. WHITEHURST, and Mr. YATRON):

H.R. 2580. A bill to amend the Federal Property and Administrative Services Act of 1949 to reform contracting procedures and contract supervision practices of the Federal Government, and for other purposes; to the Committee on Government Operations.

By Mr. CARNEY:

H.R. 2581. A bill to amend the Internal Revenue Code of 1954 to partially exclude interest earned in savings institutions from the gross income of certain taxpayers; to the Committee on Ways and Means.

By Mr. COLEMAN:

H.R. 2582. A bill to amend title 11 of the United States Code to require that bankruptcy courts grant relief from stays of acts against perishable commodities held under bailment as property of estates in bankruptcy; to the Committee on the Judiciary.

By Mr. CONABLE (for himself, Mr. GREEN, and Mr. LUNDINE):

H.R. 2583. A bill to amend the Internal Revenue Code of 1954 to provide transitional rules for estate and gift tax treatment of disclaimers of property interests created by transfers before November 15, 1958; to the Committee on Ways and Means.

By Mr. PHILIP M. CRANE:

H.R. 2584. A bill to provide for fair treatment of skilled trades under the Fair Labor Relations Act; to the Committee on Education and Labor.

By Mr. DONNELLY:

H.R. 2585. A bill to designate Building No. 1 at the Veterans' Administration Medical Center in Brockton, Mass., as the "Everett E. Crosier Center"; to the Committee on Veterans' Affairs.

H.R. 2586. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for funeral expenses paid by the spouse or other relative of the decedent; to the Committee on Ways and Means.

H.R. 2587. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for expenditures for multifuel heating systems; to the Committee on Ways and Means.

By Mr. EDGAR:

H.R. 2588. A bill to amend the Internal Revenue Code of 1954 to allow individuals a credit against income tax for the purchase of a commuter highway vehicle, to exclude from the gross income of individuals certain amounts received in connection with the provision of alternative commuter transportation, to allow employers a credit against income tax for costs incurred in ride-sharing programs, and for other purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 2589. A bill to amend title 18 of the United States Code to prohibit certain disclosures relating to intelligence personnel; jointly, to the Committees on Judiciary and the Permanent Select Committee on Intelligence.

By Mr. ENGLISH:

H.R. 2590. A bill to amend the Privacy Act of 1974 to impose additional restrictions on the maintenance and disclosure of mailing lists by Government agencies; to the Committee on Government Operations.

By Mr. FAUNTROY:

H.R. 2591. A bill to amend the Federal Reserve Act to facilitate the implementation of monetary policy by establishing reserve requirements on certain accounts; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

By Mr. FINDLEY (for himself, Mr. CORRADA, Mr. MARKS, and Ms. MIKULSKI):

H.R. 2592. A bill to make February 12 a legal public holiday for Lincoln's Birthday; to the Committee on Post Office and Civil Service.

By Mr. GLICKMAN (for himself, Mr. BEREUTER, and Mr. ROBERTS of Kansas):

H.R. 2593. A bill to amend title 11, United States Code, to require that priority be given to determinations made with respect to requests of agricultural producers for relief from stays of acts against agricultural commodities stored in grain elevators involved in bankruptcy proceedings; to the Committee on the Judiciary.

By Mr. HARKIN:

H.R. 2594. A bill to amend the dairy provisions of the Agricultural Act of 1949 and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD:

H.R. 2595. A bill to amend title XVIII of the Social Security Act to permit payment under the medicare program for certain types of foot care; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. JONES of North Carolina (for himself and Mr. HUBBARD):

H.R. 2596. A bill to authorize appropriations for the fiscal year beginning October 1, 1981, for the maintenance and operation of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. JONES of Oklahoma (for himself and Mr. CONABLE):

H.R. 2597. A bill to amend the Internal Revenue Code of 1954 with respect to the exemption from tax of veterans organizations; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 2598. A bill to amend title XVII of the Social Security Act to eliminate all the deductibles, coinsurance, and time limitations presently applicable to benefits thereunder; to eliminate medicare taxes as the method of financing hospital insurance benefits and premium payments as the method of financing supplementary medical insurance benefits (so that all benefits under such title will be financed from general revenues); to provide payment for eye care, dental care, hearing aids, prescription drugs, prosthetics, one physical checkup a year, preventive care, diagnosis of breast cancer, services of registered nurses, and certain other items not now covered; and to provide for the administrative and judicial review of claims (involving the amount of benefits payable) which arise under the supplementary medical insurance program; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. LOTT:

H.R. 2599. A bill to authorize construction of the project for navigation at Gulfport Harbor, to the Committee on Public Works and Transportation.

By Mr. LUJAN:

H.R. 2600. A bill to direct the Secretary of the Treasury to pay the funds appropriated by this Act to the Administrator of Veterans' Affairs for the purchase of a parcel of land adjacent to the Sante Fe, N. Mex., National Cemetery; to the Committee on Appropriations.

H.R. 2601. A bill to amend the Internal Revenue Code of 1954 to allow individuals certain credits against income tax for certain expenses for education and a deduction from gross income for certain contributions to qualified higher education funds, and for other purposes; to the Committee on Ways and Means.

H.R. 2602. A bill to reduce unemployment by providing that unemployment insurance funds may be used pursuant to State laws establishing programs for payments to employers who hire the unemployed; to the Committee on Ways and Means.

By Mr. McDONALD:

H.R. 2603. A bill to authorize appropriations for the purchase of certain strategic and critical materials for storage in the National Defense Stockpile under the Strategic and Critical Materials Stock Piling Act; to the Committee on Armed Services.

H.R. 2604. A bill to abolish the Federal Election Commission; to the Committee on House Administration.

By Mr. MATSUI (for himself, Mr. ROUSSELOT, Mr. PATTERSON, and Mr. GIBBONS):

H.R. 2605. A bill to amend the Internal Revenue Code of 1954 to make permanent certain rules relating to travel expenses of State legislators; to the Committee on Ways and Means.

By Mr. MILLER of California:

H.R. 2606. A bill to establish an improved system for water pricing from Federal projects in order to reduce unjustified subsidies, to more rapidly recover costs, to encourage conservation and the more efficient use of water resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MINISH:

H.R. 2607. A bill requiring the Law Enforcement Assistance Administration to provide funds, as authorized to be appropriated under this act, to the mayor of the city of Atlanta, Ga., for extraordinary investigation expenses relating to the recent murders of black children; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 2608. A bill to repeal the reduction required by law in the number of senior-grade civilian employees in the Department of Defense; to the Committee on Armed Services.

By Mr. PATTERSON:

H.R. 2609. A bill to amend the Internal Revenue Code of 1954 to exempt from the excise tax on the sale of motor vehicles certain wind deflectors designed to be mounted on the front of a truck cargo container; to the Committee on Ways and Means.

H.R. 2610. A bill to amend the Internal Revenue Code of 1954 to provide for cost-of-living adjustments in the amount of the personal exemption and in the individual tax rates; to the Committee on Ways and Means.

H.R. 2611. A bill to eliminate the reduction in social security benefits for spouses and surviving spouses receiving certain Government pensions, as recently added to title II of the Social Security Act by section 334 of the Social Security Amendments of 1977; to the Committee on Ways and Means.

By Mr. PATTERSON (by request) (for himself, Mr. HYDE, Mr. LaFALCE, Ms. OAKAR, Mr. NEAL, Mr. REUSS, Mr. LOWRY of Washington, Mr. EVANS of Delaware, Mr. STANTON of Ohio, and Mr. JAMES K. COYNE):

H.R. 2612. A bill to provide for continuing U.S. participation in the International Development Association, to provide for U.S. participation in the African Development Bank, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 2613. A bill to provide for continuing participation by the United States in the International Bank for Reconstruction and Development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PRICE (for himself and Mr. DICKINSON):

H.R. 2614. A bill to authorize supplemental appropriations for fiscal year 1981 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles and for research, development, test, and evaluation for the Armed Forces and to increase the authorized personnel end strengths for military and civilian personnel of the Department of Defense for fiscal year 1981; to the Committee on Armed Services.

By Mr. SABO:

H.R. 2615. A bill to amend title XIX of the Social Security Act to permit States to establish flexible income contribution and resource standards for couples in which one spouse is in a nursing home; to the Committee on Energy and Commerce.

By Mr. ST GERMAIN (for himself and Mr. WYLIE):

H.R. 2616. A bill to extend the authorizations of appropriations under the National Consumer Cooperative Bank Act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SANTINI:

H.R. 2617. A bill to amend the Internal Revenue Code of 1954 to allow the deduction for individual retirement savings to employees who are active participants in employer plans; to the Committee on Way and Means.

ployer plans; to the Committee on Way and Means.

By Mr. SHELBY (for himself, Mr. CORCORAN, Mr. HANCE, and Mr. BENEDICT):

H.R. 2618. A bill to amend the Clean Air Act and the Internal Revenue Code of 1954 and to provide for the balancing of energy and environmental policies by providing incentives for the use of coal in lieu of imported energy; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. WEISS:

H.R. 2619. A bill to amend title VI of the International Claims Settlement Act of 1949 (relating to claims of nationals of the United States against the German Democratic Republic) to permit the determination of claims of persons who were aliens lawfully admitted for permanent residence in the United States as of the date of loss and by September 4, 1974, citizens of the United States; to the Committee on Foreign Affairs.

By Mr. WYLIE:

H.R. 2620. A bill to amend title II of the Social Security Act to eliminate the offset against social security benefits which is presently imposed in the case of spouses and surviving spouses receiving certain Government pensions; to the Committee on Ways and Means.

By Mr. COLLINS of Texas:

H.J. Res. 209. Joint resolution authorizing the President to proclaim October 6, 1981, as "Children's Day"; to the Committee on Post Office and Civil Service.

By Mr. PATTERSON:

H.J. Res. 210. Joint resolution proposing an amendment to the Constitution of the United States to prohibit compelling the attendance of a student in a public school outside the school district in which the student resides; to the Committee on the Judiciary.

By Mr. NEAL:

H. Con. Res. 95. Concurrent resolution to encourage the reduction of export credit subsidies in world trade; jointly, to the Committees on Banking, Finance and Urban Affairs, Foreign Affairs, and Ways and Means.

By Mr. HAWKINS:

H. Res. 111. Resolution disapproving a proposed deferral of budget authority numbered D81-36A; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII,

28. The SPEAKER presented a memorial of the Legislature of the Territory of Guam, relative to the impact of reducing Federal income tax rates on Guam; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAPPIE:

H.R. 2621. A bill to authorize the Secretary of the Interior to convey certain lands in Placer County, Calif., to Mrs. Edna C. Marshall, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. D'AMOURS:

H.R. 2622. A bill for the relief of Maj. Bradford S. Goodwin, Jr., U.S. Army; to the Committee on the Judiciary.

By Mr. DONNELLY:

H.R. 2623. A bill to waive certain time limitations with respect to awarding a medal of honor to James L. Cadigan; to the Committee on Armed Services.

By Mr. HEFTTEL:

H.R. 2624. A bill to authorize the Secretary of the Navy to sell certain harbor craft to Indo-Pacific Fisheries, Inc.; to the Committee on Armed Services.

H.R. 2625. A bill for the relief of George A. Albert; to the Committee on the Judiciary.

By Mr. PATTERSON:

H.R. 2626. A bill for the relief of Orange County Fair Housing Council, Inc.; to the Committee on the Judiciary.

By Mr. RAHALL:

H.R. 2627. A bill for the relief of Maria Luna Tan; to the Committee on the Judiciary.

H.R. 2628. A bill for the relief of Generoso Blando; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 110: Mr. BONIOR of Michigan, Mrs. BOUQUARD, Mr. CORRADA, Mr. CROCKETT, Mr. DE LUGO, Mr. DUNCAN, Mr. FORD of Michigan, Mr. FROST, Mr. GINGRICH, Mr. GRAY, Mr. GUYER, Mr. HOWARD, Mr. KILDEE, Mr. KOGOVSEK, Mr. MURPHY, Mr. MURTHA, Mr. PATTERSON, Mr. PEPPER, Mr. STOKES, Mr. TRAXLER, Mr. WYDEN, and Mr. YATRON.

H.R. 227: Mr. MITCHELL of New York.

H.R. 231: Mr. WALGREN.

H.R. 269: Mr. LOWERY of California and Mr. ROTH.

H.R. 391: Mr. DANIEL B. CRANE.

H.R. 654: Mr. DE LA GARZA, Mr. BEREUTER, Mr. CONTE, Mr. O'BRIEN, Mr. HYDE, and Mr. OBERSTAR.

H.R. 728: Mr. HAWKINS, Mr. KOGOVSEK, Mr. FORD of Tennessee, Mr. FAUNTROY, Mr. RODINO, Mr. CROCKETT, Mr. MITCHELL of Maryland, and Mr. GUARINI.

H.R. 750: Mr. GLICKMAN.

H.R. 852: Mr. JOHN L. BURTON, Mr. MOPFETT, Mr. FARRIS, and Mr. CHAPPELL.

H.R. 858: Mr. BEREUTER.

H.R. 861: Mr. PORTER.

H.R. 907: Mr. BELENSON, Mr. JOHN L. BURTON, Mr. DELLUMS, and Mr. PANETTA.

H.R. 934: Mr. CROCKETT and Mr. GUARINI.

H.R. 1034: Mr. ASHBROOK, Mr. ANDREWS, Mr. BAFALIS, Mr. BETHUNE, Mr. BUTLER, Mr. CRAIG, Mr. DANIEL B. CRANE, Mr. DANNEMEYER, Mr. FORSYTHE, Mr. GUYER, Mr. KINDNESS, Mr. MARRIOTT, Mr. MARTIN of North Carolina, Mr. RUDD, Mr. SPENCE, Mr. WHITEHURST, and Mr. WINN.

H.R. 1100: Mr. FAZIO.

H.R. 1359: Mr. BROOKS, Mr. WON PAT, Mr. ATKINSON, Mr. McCLOSKEY, Mr. MURPHY, Mr. MARTIN of New York, Mr. EVANS of Georgia, and Mr. SOLOMON.

H.R. 1360: Mr. BROOKS, Mr. WON PAT, Mr. ATKINSON, Mr. McCLOSKEY, Mr. MURPHY, Mr. EVANS of Georgia, and Mr. SOLOMON.

H.R. 1361: Mr. BROOKS, Mr. WON PAT, Mr. ATKINSON, Mr. McCLOSKEY, Mr. MURPHY, Mr. BEARD, Mr. EVANS of Georgia, and Mr. SOLOMON.

H.R. 1405: Mr. BENJAMIN.

H.R. 1454: Mr. CROCKETT, and Mr. GARCIA.

H.R. 1554: Mr. GRAY, Mr. LOWRY of Washington, Mr. OTTINGER, Mr. SOLARZ, Mr. VENTO, Mr. WON PAT, Mr. ZEFERETTI, and Mr. DELLUMS.

H.R. 1602: Mr. YOUNG of Alaska, Mr. MURPHY, Mr. OTTINGER, and Mr. FAZIO.

H.R. 1643: Mr. ROBERT W. DANIEL, JR., Mr. HOWARD, Mr. BARNARD, Mr. PAUL, Mr. HIGHTOWER, Mr. LUNGREN, Mr. DUNCAN, and Mr. FRENZEL.

H.R. 1711: Mr. LOEFFLER and Mr. EVANS of Georgia.

H.R. 1720: Mr. WEAVER, Mr. EVANS of Delaware, Mr. COURTER, Mr. BEDELL, Mr. CONYERS, Mr. LaFALCE, Mr. DWYER, and Mr. DYSON.

H.R. 1765: Mr. WAXMAN, Mr. CLAUSEN, Mr. McCLOSKEY, Mr. SYNAR, and Mr. HIGHTOWER.

H.R. 1817: Mr. LUKE, Mr. WILLIAMS of Ohio, Mr. YOUNG of Missouri, Mr. FITHIAN, and Mr. ANDREWS.

H.R. 1854: Mr. OBERSTAR, Mr. STARK, Mr. FORSYTHE, Mr. BEILENSEN, Mr. EDGAR, Mr. GIBBONS, Mr. MILLER of California, Mr. MURPHY, Mr. FAZIO, Mr. WINN, Mr. SCHEUER, Ms. MIKULSKI, Mr. PEPPER, Mr. FISH, Mr. McCLOSKEY, Mr. JACOBS, Mr. HUGHES, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. CORRADA, and Mr. OTTINGER.

H.R. 1914: Mr. ATKINSON, Mr. CONYERS, Mr. DOUGHERTY, Mr. FISH, Mr. FORD of Tennessee, Mr. FORSYTHE, Mr. GUYER, Mr. PEPPER, Mr. STRATTON, Mr. STOKES, and Mr. WHITEHURST.

H.R. 1919: Mr. WOLPE, Mr. SCHEUER, Mr. WINN, Mr. EDWARDS of California, Mr. AKAKA, Mr. PRITCHARD, Mr. FLORIO, Mr. HAWKINS, Mr. STARK, Mr. St GERMAIN, Mr. PANETTA, Mr. LONG of Maryland, Mr. ADDABO, Mr. SANTINI, Mr. BROWN of California, Mr. CLAY, Ms. MIKULSKI, Mr. PHILIP BURTON, Mr. COELHO, Mr. LOWRY of Washington, Mr. PEPPER, Mr. MURPHY, Mr. ZEFERETTI, Mr. VENTO, Mr. BURGNER, Mr. KILDEE, Mr. STUDDS, Mr. FAUNTROY, Mr. RICHMOND, Mr. CLINGER, Mr. ROE, Mr. MINISH, Mr. LaFALCE, Mr. DYMALLY, Mr. MITCHELL of Maryland, Mr. RANGEL, Mr. LEHMAN, Mr. STOKES, Mr. MOTT, Mr. FORD of Michigan, Mr. MILLER of California, Mr. FARY, Mr. DELLUMS, Mr. McHUGH, Mr. ROYBAL, and Mr. YATRON.

H.R. 1932: Mr. HOLLAND, Mr. ANNUNZIO, Mr. BONIOR of Michigan, Mr. BROOMFIELD, Mr. DASCHLE, Mr. DUNCAN, Mr. FORD of Michigan, Mr. HERTEL, and Mr. KOGOVSEK.

H.R. 1969: Mr. BONER of Tennessee.

H.R. 2024: Mr. MILLER of California and Mr. SANTINI.

H.R. 2232: Mr. DERWINSKI, Mr. LAGOMARINO, Mr. STOKES, Mr. MINETA, and Mr. KILDEE.

H.R. 2245: Mr. EMERSON, Mr. WILLIAMS of Montana, Ms. FERRARO, Mr. MILLER of California, and Mr. FISH.

H.R. 2327: Mr. MONTGOMERY, Mr. BEVILL, Mr. COLLINS of Texas, Mr. McDONALD, and Mr. NICHOLS.

H.R. 2352: Mr. ROSENTHAL, Mr. DOWNEY, Mr. BINGHAM, Mrs. FENWICK, Mr. DERWINSKI, Mr. WEISS, and Mr. BARNES.

H.R. 2389: Mr. HOWARD, Mr. ROUSSELOT, Mr. PAUL, Mr. DERWINSKI, Mr. McDONALD, Mr. LEATH of Texas, Mr. PEPPER, Mr. ARCHER, Mr. KILDEE, Mr. CONTE, and Mr. DICKINSON.

H.R. 2393: Mr. GOLDWATER, Mr. WEBER of Minnesota, and Mr. SMITH of Alabama.

H.J. Res. 155: Mr. ALBOSTA, Mr. BEDELL, Mr. BEILENSEN, Mr. BENJAMIN, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BROWN of California, Mr. CARNEY, Mr. DELLUMS, Mr. DIXON, Mr. DONNELLY, Mr. DOWNEY, Mr. DYMALLY, Mr. EDWARDS of Oklahoma, Mr. ERDAHL, Mr. ERTEL, Mr. FOLEY, Mr. FOUNTAIN, Mr. GEJDENSON, Mr. GREEN, Mr. HUTTO, Mr. JEFFORDS, Mr. KAZEN, Mr. LELAND, Mr. LUKE, Mr. McCLOSKEY, Mr. MCDADE, Mr. MARKS, Mr. MARRIOTT, Mr. MOLINARI, Mr. NEAL, Mr. NOWAK, Mr. PRICE, Mr. ROUSSELOT, Mr. RUDD, Mr. SABO, Mr. St GERMAIN, Mr. SCHUMER, Mr. SMITH of New Jersey, Mr. SOLOMON, Mr. WOLF, Mr. WYDEN, Mr. YOUNG of Alaska, Mr. BENNETT, Mr. BONIOR of Michigan, Mr. CONYERS, Mr. FOWLER, Mr. GARCIA, Mr. MATTOX, Mr. MINISH, Mr. PATTERSON, Mr. RAILSBACK, Mr. ROYBAL, Mr. SHAMANSKY, Mr. SUNIA, Mr. TRAXLER, Mr. YOUNG of Florida, Mr. LANTOS,

Mr. EVANS of Georgia, Mr. EVANS of Delaware, Mr. RATCHFORD, Mr. ROSE, Mr. SMITH of Iowa, Mr. WHITTEN, Mr. GILMAN, Mr. CARMAN, Mr. STOKES, Mr. BEARD, Mr. PERKINS, Mr. GRADISON, Mr. HANCE, Mr. ERLBORN, Mrs. BOUQUARD, Mr. BRINKLEY, and Mr. RITTER.

H.J. Res. 162: Mr. SHAMANSKY, Mr. BEDELL, Mr. MINETA, Mr. DASCHLE, Mr. KASTENMEIER, Mr. BARNARD, Mr. DORGAN of North Dakota, Mr. HYDE, Mr. EVANS of Delaware, Mr. WILSON, Mr. BLANCHARD, Mr. CONYERS, Mr. HUBBARD, Mr. ZABLOCKI, Mr. DYSON, Mr. GUYER, Mr. CROCKETT, Ms. FIEDLER, Mr. FARY, Mr. MOLLOHAN, Mr. PARRIS, Mr. KEMP, Mr. PERKINS, Mr. LUKE, Mrs. BOGGS, and Mr. ROYBAL.

H. Con. Res. 52: Mr. GUARINI, Mr. WILLIAMS of Montana, and Mr. GRAY.

H. Con. Res. 55: Mr. SHAMANSKY.

H. Con. Res. 61: Mr. EVANS of Georgia, Mr. EMERY, Mr. McHUGH, Mr. RODINO, Mr. LEDERER, Mr. EARLY, Mr. PEPPER, Mr. GRAY, Mr. HAMMERSCHMIDT, Mr. LEE, Mr. BUTLER, Mr. ADDABO, Mr. ERTEL, and Mr. SHUSTER.

H. Con. Res. 81: Mr. WHITEHURST, Ms. MIKULSKI, Mr. STOKES, Mr. FORSYTHE, Mr. SUNIA, Mr. YATRON, Mr. OTTINGER, Mr. CONYERS, and Mr. CORRADA.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

38. By the SPEAKER: Petition of the Ohio Civilian Conservation Advisory Council, Columbus, relative to the Federal young adult conservation corps program, and the youth conservation corps program; to the Committee on Education and Labor.

39. Also, petition of Mercedes Carney, West Park, N.Y., and others, relative to El Salvador; to the Committee on Foreign Affairs.

EXTENSION OF REMARKS

THE PANAMA CANAL APPROPRIATIONS AUTHORIZATION ACT, FISCAL YEAR 1982

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. JONES of North Carolina. Mr. Speaker, today I am introducing a bill to authorize appropriations for operation of the Panama Canal in the fiscal year beginning October 1, 1981. The enactment of such legislation is required by the provisions of the Panama Canal Act of 1979, establishing the Panama Canal Commission as an agency in the executive branch of the U.S. Government for operation of the Panama Canal under the President and Secretary of Defense. Section 1302 of the act provides that no funds be obligated or expended for any fiscal year unless such obligation or expenditure has been specifically authorized by law. The purpose of this bill is to provide such authorization for fiscal year 1982, subject to the limitations and conditions included in the bill.

Section 2(a) of the bill authorizes appropriations of \$420,520,000 for operating expenses and capital improvements at the Panama Canal during fiscal year 1982. This is the amount requested in the amendment to the budget submitted to the Congress on March 10, 1981.

Section 2(a) also places limitations on amounts that can be spent for certain specific objects, such as employee recreation and community projects, employment of consultants and administrative expenses of the Supervisory Board. These limitations correspond generally to those included in the authorization bill and Appropriation Act for fiscal year 1981 (Public Law 96-400).

The bill also divides the capital projects included in the President's budget for the Panama Canal Commission into four categories, and places a spending limitation on each. Increases in amounts spent for individual projects within any of the four categories is authorized after notice to the appropriations and cognizant legislative committees, with provision for veto of such increases by any of such committees. In any event, such increases may not result in an increase in the total amount authorized for each category or for all the included capital projects.

Section 3 of the bill provides in effect that meetings of the canal's Supervisory Board must be open to the

public in accordance with the Government in the Sunshine Act (5 U.S.C. 552b). This provision follows the recommendation of the Panama Canal Subcommittee of the Committee on Merchant Marine and Fisheries in an oversight report unanimously adopted by the subcommittee after oversight hearings conducted pursuant to rule X of the Rules of the House of Representatives. The oversight report is published in full at page H10381 of the CONGRESSIONAL RECORD of October 2, 1980.

Under the provisions of the Congressional Budget and Impoundment Control Act, all bills to authorize appropriations for fiscal year 1982 must be reported not later than May 15. The Committee on Merchant Marine and Fisheries expects to report this legislation well in advance of that date, in order that there may be no delay in the enactment of necessary appropriations for operation of the canal without interruption while it remains in the control of this Government.

The text of the bill and a section-by-section analysis of the bill follows:

H.R. 2596

A bill to authorize appropriations for the fiscal year beginning October 1, 1981, for the maintenance and operation of the Panama Canal, and for other purposes

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

SECTION 1. That this Act may be cited as the "Panama Canal Appropriations Authorization Act, Fiscal Year 1982."

OPERATING EXPENSES AND CAPITAL OUTLAY

SEC. 2. (a) There is authorized to be appropriated from the Panama Canal Commission Fund for the use of the Panama Canal Commission for the fiscal year beginning October 1, 1981, not to exceed \$420,520,000 required for necessary expenses of the Commission incurred under the Panama Canal Act of 1979, including—

(1) not more than \$5,000 for the hire of passenger motor vehicles;

(2) not more than \$776,000 for the hire of aircraft;

(3) not more than \$136,000 for uniforms or allowances therefor, as authorized by sections 5901 and 5902 of title 5, United States Code;

(4) not more than \$25,000 for official reception and representation expenses;

(5) not more than \$272,000 for operation of guide services;

(6) not more than \$60,000 for the maintenance of a residence for the Administrator, as authorized by section 5913 of title 5, United States Code;

(7) not more than \$25,000 for disbursement by Administrator for employee recreation and community projects.

(8) not more than \$520,000 for procurement of expert and consultant services as provided by section 3109 of title 5, United States Code;

(9) maintenance and alteration of facilities of other United States Government agencies in the Republic of Panama used by the Panama Canal Commission;

(10) not more than \$3,724,000 for maintenance and alteration of facilities of the Government of the Republic of Panama, used by the Commission, of which the United States retains use pursuant to the Panama Canal Treaty of 1977 and related agreements;

(11) payment of liabilities of the Panama Canal Company outstanding as of September 30, 1979; and

(12) not more than \$50,000 for expenses of the supervisory Board established pursuant to section 110 of Public Law 96-70 (93 Stat. 456), including travel and transportation expenses under section 5703 of title 5, United States Code.

(b) Not to exceed \$19,766,000 of the funds appropriated pursuant to the authorization in subsection (1) of this section may be expended for acquisition, construction and replacement of facilities, structures, equipment, and improvements thereto required by the Panama Canal Commission, including the purchase of not to exceed forty passenger motor vehicles of which twenty-eight are for replacement only. Amounts appropriated pursuant to this subsection are authorized to remain available until expended.

(c) Of the sums referred to in subsection (b) of this section, not more than the following amounts shall be available for the following purposes:

(1) for transit projects, \$13,764,000;

(2) for general support projects, \$3,252,000;

(3) for utilities projects, \$1,870,000;

(4) for quarters improvement projects, \$880,000.

(d)(1) Subject to the limitations prescribed in paragraph (2), the amount which may be expended for any individual project within any category of projects contained in paragraphs (1) through (4) of subsection (c) may be increased above the amount specified for that individual project in the budget estimate submitted to the Congress by an amount necessary to meet increased costs in such project due to inflation or other unforeseeable factors, if the Board of the Panama Canal Commission has approved such increase and has notified in writing the Committee on Merchant Marine and Fisheries of the House of Representatives, the Committee on Armed Services of the Senate, and the Subcommittees on Transportation of the Committees on Appropriations of the House of Representatives and the Senate of the Commission's approval of such increase, the reason for such approval, and the new cost estimate for the project concerned. Any of the committees referred to in this subsection may disapprove the increases in amounts for any individual project as proposed by the Commission.

(2) In no event may—

(A) the total cost of all projects within any of the categories of projects contained in clauses (1) through (4) of subsection (c) exceed the amount authorized by law for that category, or

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

(B) the total cost of all capital projects authorized by this section exceed the amount appropriated for such projects.

(e) There is authorized to be credited to amount appropriated pursuant to this section, for payment to other United States Government agencies, an amount equal to the amount of funds received from officers and employees of the Commission or commercial insurers of Commission employees for expenditures made for services provided to Commission employees and their dependents by such other agencies.

MEETINGS OF BOARD

SEC. 3. None of the appropriations authorized in this Act may be expended for meetings of the Board established by section 1102 of the Panama Canal Act of 1979 (93 Stat. 456) unless such meetings are open to the public in accordance with the provisions of the Government in the Sunshine Act of September 13, 1976 (90 Stat. 1241, 5 U.S.C. 552b).

SECTION-BY-SECTION ANALYSIS, PANAMA CANAL APPROPRIATIONS AUTHORIZATION ACT, FISCAL YEAR 1982

SEC. 1. Short Title.

SEC. 2. Paragraph (a) authorizes a total appropriation of \$420,520,000 for necessary expenses of the Panama Canal Commission in F.Y. 1982. This is the amount requested in the revised budget submitted March 10, 1981.

Paragraph (a) specifically authorizes appropriations for 12 categories of expense as follows:

- (1) hire of passenger motor vehicles—\$5,000.
- (2) hire of aircraft—\$776,000.
- (3) uniforms and uniform allowances—\$136,000.
- (4) entertainment and representation—\$25,000.
- (5) guide services—\$272,000.
- (6) maintaining residence of Administrator—\$60,000.
- (7) employee recreation and community activities—\$25,000.
- (8) experts and consultants—\$520,000.
- (9) maintenance and alteration of facilities of other U.S. Government agencies.
- (10) maintenance and alteration of facilities of the Government of Panama—\$3,724,000.
- (11) payment of liabilities of Panama Canal Company outstanding as of September 30, 1979.
- (12) expenses of Supervisory Board—\$50,000.

In the absence of information as to the amounts included in the budget for the 12 enumerated objects, the amounts authorized for fiscal year 1981 have been used with two exceptions. The item for hire of passenger motor vehicles authorized last year was in the amount \$495,000 for funding a one-year contract for shuttle bus service. Such a contract is not the hire of vehicles within the meaning of 31 USC 638a which requires authorization for the hire of vehicles. Authorization for the operation of the bus service is included in the operating expenses in the first clause of section 2(a).

The 1981 appropriation did not contain a limitation on expenses of the Board. The justification material submitted by the Commission in support of the budget includes \$92,000 for such expenses in comparison to \$44,000 in 1980 and \$89,000 estimated for 1981. The \$50,000 included in this bill is based on the 1980 actual with provision for inflation.

Paragraph (b) of section 2 would authorize expenditure of \$19,766,000 of the total

amount of the appropriations authorized in section 2(a) for capital acquisition and improvements. This amount is authorized to remain available until expended. The paragraph further authorizes acquisition of 40 passenger automobiles, of which 28 are for replacement. The numbers of vehicles follow the January appropriation request, although they are a substantial increase over the numbers included in the 1980 authorization bill and appropriation act (31 total of which 19 were for replacement).

No limit is specified for the dollar amount to be expended for new automobiles inasmuch as this amount is controlled by general law applicable to all agencies.

Paragraph (c) of section 2 divides the authorized capital projects into four categories and specifies the amount of the total authorization available for each. The types of categories are those included in last years authorization bill and appropriation act, and the amounts authorized for each are those requested in the Commission's budget submitted by the President in January.

Paragraph (d) of Section 2 is based on a similar provision in the 1981 authorization bill and appropriation act authorizing increases in the amounts authorized for individual projects in each category of capital projects after the approval by the Commission's supervisory Board and notice to the legislative and appropriations Committees of Congress. Provision is included for disapproval of the increases by any of the Committees as notified. Increases in the total authorized for each project or in the total amount authorized for all projects are specifically prohibited.

Paragraph (e) of section 2 authorizes the crediting to the appropriation of amounts received by the Commission for services to employees by other agencies. This language follows the 1981 authorization bill and appropriation act as well as the 1982 budget request.

Section 3 of the bill provides that none of the appropriations authorized may be expended for meetings of the Commission's supervisory Board unless such meetings are open to the public in accordance with the Government in the Sunshine Act of September 13, 1976 (5 U.S.C. 552b). This requirement is included because of adoption of regulations by the Board providing for closed meetings, notwithstanding the requirement of the 1976 act, applicable to executive agencies generally, requiring open meetings. The subject was explored fully in the oversight hearings held by the Panama Canal subcommittee on July 28, 1981, and the subcommittee unanimously recommended that open meetings be held in accordance with the Act. The Commission has not acted on that recommendation.●

RESOLUTION IN OPPOSITION TO THE PROPOSED DEFERRAL OF CETA FUNDS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HAWKINS. Mr. Speaker, I rise to speak on the subject of the proposed CETA deferrals which the President announced in his message to Congress on March 10, 1981. It is my intention to oppose the deferrals in title II(d), welfare demonstration program,

summer youth, YACC, and research and development and evaluation. To that end, I am introducing today a resolution which would disallow these deferrals.

While I will also oppose the CETA PSE title VI rescissions at the appropriate time, today, because of time constraints, I will limit my comments to only the deferrals of title II(d) PSE.

There exists a great urgency particularly in dealing with the President's deferral message as it relates to title II(d) to the fact that a great many CETA prime sponsors find that the new and reduced allocation levels leave them with absolutely no funds with which to continue their II(d) programs beyond March 17. While these prime sponsors were informed by DOL that the expense of giving the customary 2 weeks' termination notices would be covered by the Department, the message is clear that the program will be terminated immediately.

In the case of the city of Los Angeles alone, this means that on March 17 a total of 3,000 termination notices were sent out. Of this total, 1,300 went to persons involved in training and employment programs operated by 29 community-based private nonprofit organizations. All participants were drawn from the structurally unemployed, and 52 percent were hired from local welfare rolls.

For other cities the situation is not much better, and within a few months it is estimated that the title II(d) program will be virtually nonexistent. At the same time, the unemployment ranks will be so inflated by this anticipated action that the Department of Labor has reserved \$245 million of its CETA funds to cover the UI liability created by the termination of the PSE title II(d) and VI programs.

Mr. Speaker, the fact that the President's proposals are tantamount to ending programs sanctioned by Congress, without any congressional review is reprehensible; but this, coupled with the fact that the programs he is cutting means the difference between hope and desperation for millions of Americans, is unacceptable.●

PEN, SWORD, AND MIGHT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. SKELTON. Mr. Speaker, Maj. Gen. W. D. Crittenger, Jr, USA (ret.), recently brought to my attention an article from the Wall Street Journal pointing out our need for military leaders as opposed to bookkeeping managers. It is entitled, "Pen, Sword and Might."

The article follows:

PEN, SWORD AND MIGHT

Regarding Irving Kristol's Feb. 23 editorial page article "A Letter to the Pentagon": Mr. Kristol is exactly right about the demoralization of the American military. Before we resigned recently as regular line officers (in the Navy and Army, respectively), we observed examples too numerous to count of the symptoms and effects he describes. Several of our fellow law students are also former military officers, some of rather high rank. To a man they agree that the military's problems stem from the officer corps' obsessive desire to be managers rather than warriors. As James Fallows observed last year in *Atlantic Monthly*, George Patton probably would never reach general officer rank in today's Army. ●

MUST MX BE A SHELL GAME?

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BEDELL. Mr. Speaker, yesterday I introduced House Concurrent Resolution 94, expressing the sense of Congress that the MX/MPS basing system should be halted until we negotiate an effective SALT limitation on Soviet ICBM's and warheads.

The *New York Times* this morning took up this issue in a lead editorial entitled, "Must MX Be A Shell Game?" The *Times* editors first noted the primary environmental and cost objections to the current MX basing plans and recommended the so-called SUM submarine alternative. Equally important, however, the editors spoke directly to the issue of SALT, stating that "(t)he shell game makes little sense without SALT limits on the Soviet missile buildup."

I agree fully with the views expressed in this editorial and recommend its reading to my colleagues. The text of the editorial follows:

[From the *New York Times*, Mar. 18, 1981]

MUST MX BE A SHELL GAME?

Why, Defense Secretary Weinberger has been asking his military advisers, does the mobile MX missile have to be part of a "shell game"? Why must it be based in concrete shelters in Utah and Nevada, tearing up the countryside and fomenting wide public resistance? Why not base it at sea, perhaps aboard small submarines in deep ocean, a few hundred miles off the Atlantic and Pacific Coasts?

The new Secretary says he has found Pentagon minds all made up: the present "shell game" plan with 200 missiles shuttling among 4,600 shelters is the best answer to the vulnerability of silo-based ICBM's. But to his credit, Mr. Weinberger has not settled for that answer. He has now put his questions to a panel of outside defense experts, to report to him in June.

There are two fat objections to the MX plan favored by the military. It did not foresee the surge of public opposition in the Western states. Environmental lawyers could tie things up in court for years. In the background, there is "an element of the unreal," as Mr. Weinberger has noted, in building so complex a system, of almost

Rube Goldberg dimensions and costing \$34 billion, to conceal such a small number of missiles. Is there no other way?

Yes: Put the MX on submarines, which will provide automatic concealment in two million square miles of ocean.

Then why hasn't the Pentagon gone in that direction already? Because existing submarine-launched missiles are not as accurate as land-based missiles and are not as responsive to command and control. Current missile subs are scattered over the globe and unable to communicate without revealing their location. And shifting MX to submarines would eliminate one leg of the strategic "triad"—bombers, land-based missiles and submarine-launched missiles.

But those arguments do not apply to small offshore submarines, aided by coastal guidance and radio systems. Such vessels should be able to achieve survivability, with missile accuracy and communications at least comparable to a land-based MX system and at no greater cost, according to preliminary findings of a study by the Congressional Office of Technology Assessment.

The study identifies two main problems with this system, known as the small-submarine undersea mobile plan. Some unforeseen breakthrough in antisubmarine warfare might one day create a simultaneous threat to both the Trident and coastal submarines. Shortages of shipyard capacity might delay deployment until the early 1990's.

But the originators of the small-sub concept, Sidney Drell of Stanford and Richard Garwin of I.B.M., are convinced that the small sub is practical. It would differ enough from the big Trident sub so that no single antisubmarine warfare breakthrough would threaten both systems. Also, small submarines are being made in West Germany and some could be bought there until American models are available.

The small-sub idea also has other virtues. It could begin adding invulnerable missiles to the American inventory from the very first submarine deployed. The shell-game system, by comparison, would gain nothing for American security until there were more shelters than Soviet warheads capable of destroying them. To build that many shelters would take nearly until 1990, by which time construction of a small submarine fleet could also be well under way.

Mr. Weinberger is right to take a new look at the small-sub system. The Air Force would not be overjoyed to put its new missiles on Navy vessels. But the system has advantages at a time when the strategic arms treaty is in doubt. The shell game makes little sense without SALT limits on the Soviet missile buildup, which could require 8,250 MX shelters by 1990 and 12,250 by 1995. Small subs could survive a SALT failure.

More important, the small-sub idea offers a valuable bargaining chip. Deployment could be curtailed in return for a favorable SALT agreement. That would save money while adding a reasonable quota of survivable missiles to the American arsenal. ●

AGRICULTURAL RESEARCH

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington

report for Wednesday, March 18, 1981, into the CONGRESSIONAL RECORD:

AGRICULTURAL RESEARCH

Most of the talk in Washington these days has to do with cuts in the federal budget. It may be a bit out of step—but it is necessary nonetheless—to point to one item in the budget which should not be cut. In fact, that item—agricultural research—should probably be increased.

Agricultural research goes back at least to the settlers of the 1660's who experimented with Indian corn in order to survive. Presidents Washington and Jefferson argued for improved agriculture and conducted experimental work. President Lincoln launched such research at land grant colleges, and there was a revolution in farm production by the end of the Civil War. A second revolution occurred after World War II. Farm productivity has increased by one-half since 1950, with two-thirds the labor force and the same amount of land under cultivation. Greater productivity has been due primarily to new technologies and practices developed through research.

The federal government supports 47% of the nation's agricultural research. The United States Department of Agriculture (USDA) is spending roughly \$800 million on major research this year. About \$400 million goes to the USDA's 150 domestic research facilities. Another \$200 million, with state monies, funds the cooperative research program at state universities, a program which concentrates on the immediate needs of local agricultural interests. Research in Indiana ranges from agricultural production and marketing to conservation and human nutrition. Work on the erosion of soil, the improvement of soybeans and wheat, the control of insects, and the genetics of animals is also underway.

Federal funds for agricultural research appear to have been spent well. Economists say that consumers and farmers reap a return of nearly 50 cents above costs on every federal dollar so invested. This return compares favorably to that of private industry, which typically earns no more than 20 cents above costs on each dollar it invests in research. The main benefit comes in the form of lower retail prices for food. It may be hard to believe after a trip to the supermarket, but Americans spend less of their income on food than do people in any other industrialized country. This benefit is available despite the fact that spending for agricultural research equals only 2% of the total federal research budget.

The outstanding record of agricultural research has not silenced all critics. Some people contend that current trends in research have made agriculture too dependent on dangerous pesticides that pollute the water and destroy natural predators, on large machines that consume too much energy and encourage the consolidation of farmland, and on techniques of selective breeding that limit genetic diversity and invite catastrophe. While such criticisms cannot be dismissed out of hand, most observers believe that agricultural research has done much more good than harm.

Agricultural research will be facing significant challenges in the years to come. On the one hand, worldwide demand for food is rising. The world's rapidly growing population may number 6.35 billion by the end of the century, and more countries are striving to improve the quality of the food their people eat. On the other hand, meager supplies of grain and higher prices for the

energy used by farmers may lead to shortages of food in many places. Worse still, American agriculture may be reaching a "productivity plateau" from which the yield per acre of basic crops cannot be raised. The reservoir of untapped agricultural technology may be nearly exhausted.

The agricultural boom of the 1950's and 1960's was due mainly to chemical and mechanical innovation and an abundance of energy, soil, and water. As agricultural research seeks to address new challenges, however, it will bump up against several limits. Farm expenditures for petroleum have more than doubled in the past five years, and prices for fuel are expected to increase more than 20% in 1981. Three million acres of farmland are lost to urban sprawl, industrialization, and water projects each year, and an annual average of nine tons of soil per acre is lost through erosion. The national demand for water will be almost half again as great by the year 2000, and much water will be unavailable for farm use on account of pollution and diversion to other uses.

How will the American farmer produce more food with fewer resources? More research is the answer, and it is taking many forms. Because of the high cost and adverse environmental effect of chemical pesticides, farm scientists are working to develop "natural" mechanisms for the control of pests. They are investigating how plants might be bred to draw nitrogen from the air, thereby reducing the need for fertilizers. Other research is moving along, too. For areas where the soil is saline, farm scientists are screening varieties of crops that would be able to tolerate salt. They are studying how satellites might be used to gather data on plots of land anywhere in the world.

Research has helped make American agriculture an immensely productive enterprise. We must see to it that investment in such research continues to have priority among federal initiatives. ●

NURSING HOME PATIENTS RELIEF ACT

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. SABO. Mr. Speaker, we hear a lot of discussion these days about how States need greater flexibility in administering Government programs. Today I am introducing a bill which would provide some of that needed flexibility while addressing a severe problem faced by older couples.

The bill would amend title XIX of the Social Security Act. It would give States flexibility in establishing income contribution and resource standards for couples to qualify for medicaid when one spouse is in a nursing home.

Under the present system, a person must often forgo income and live in impoverished circumstances when his or her spouse resides in a nursing home and medicaid funds are needed.

The most common example of this dilemma occurs among older couples who have retired on the husband's pension. The husband is often the

first to require nursing home care. When he does, HHS guidelines require that most of his pension be used to pay for his care before he is eligible for medicaid. There is then often not enough pension income left over to provide the healthy wife with a decent standard of living.

Even though the couple had been an economic unit with the wife contributing to its sustenance and even though the couple had planned to live out their days sharing the husband's pension, the wife is left with far less than half the couple's income. She often can no longer afford to live on her own and is typically forced to go into a nursing home, too. Such a situation costs the Government money and erodes the freedom and dignity of the healthy wife.

The bill I am introducing today would allow the Secretary of HHS to approve State medical assistance plans which contain more flexible standards than current rules allow. Under this bill, States could pass laws which would allow these couples to qualify for medical assistance while retaining enough income to support the healthy spouse. No State would be required to pass such a law. In States where current rules are adequate, no change need be made. However, in States where the cost of living is high, the legislatures would be able to pass a law providing the necessary flexibility to insure their older couples the medical assistance they need. ●

U.S. INTERVENTION IN EL SALVADOR

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HARKIN. Mr. Speaker, Tuesday, March 24, marks the first anniversary of the assassination of Archbishop Oscar Romero of El Salvador. This month is also the first anniversary of our Government's first military assistance to the government which refused to investigate or prosecute those who were responsible for the archbishop's murder.

The rape and murder of four American churchwomen dispelled whatever illusion was left that the present junta in El Salvador is moderate or responsible. The American people, led by church groups of every faith, have forcefully rejected the official justification for increased U.S. involvement in the civil war in El Salvador. It is time for us, as elected representatives of the American people, to speak out as well.

A government which permits the wanton murder of American churchwomen and American labor advisers, the assassination of the beloved arch-

bishop, the torture, mutilation, and murder of thousands of men, women, and children is no bastion of pro-Americanism. If this kind of government is what the free world has to offer in place of communism, then it is no wonder that the people themselves reject not only our country but our values as well. America stands for something better.

John Kenneth Galbraith discussed the decline of the Soviet Empire over the last 20 years in an article in yesterday's Post. In it, he stressed that Soviet efforts to expand their sphere of influence in the Third World have been a disastrous failure. He also warns U.S. policymakers of making the same kind of heavy-handed mistakes. How ironic it would be if the United States squandered a precious resource—the example our Nation sets in comparison to the Soviet Union—by intervening in El Salvador to prop up a hated government in the name of anticommunism.

I would like to include with my statement the December 16th statement by the Maryknoll Sisters on the deaths of four American churchwomen in El Salvador.

MARYKNOLL SISTERS' RESPONSE TO STATE DEPARTMENT PRESS RELEASE ON SPECIAL PRESIDENTIAL MISSION TO EL SALVADOR

MARYKNOLL, N.Y.—The deaths of Sisters Ita Ford, Maura Clarke, Dorothy Kazel and Miss Jean Donovan have focused international attention on El Salvador. We are profoundly saddened by their deaths; but they are only one example of the thousands of deaths which took place this past year, the great majority of which have occurred at the hands of the security forces. Our concern today is for all the people of El Salvador.

On December 12th, the State Department issued a public statement regarding the actions and findings of the special Presidential Mission to El Salvador. Their report leaves us with many questions; but we would like to respond in a general way to two important statements, which are made therein.

The statement reports:

"The Special Mission reported that thus far there was no direct evidence of who committed the crime especially because of the circumstantial evidence of possible security force involvement in the case. The Mission urged the authorities of El Salvador to conduct a complete, thorough, and professional investigation of these murders so that these questions can be answered and those responsible be brought to justice."

We would remind the U.S. government that from the evidence which we have been able to gather, which includes statements from Church officials, the American Embassy, international organizations and high U.S. government officials, there is a probability that the security forces are involved in the deaths of these four women.

As to whether or not we believe the Salvadoran government would be the indicated authorities to make an investigation, we go to the words of Bishop Rivera y Damas made in a statement on December 6th, in response to the deaths of our Sisters:

"Although those directly responsible for this persecution want to minimize their part in it by invoking the violence of the rightists and leftists without any trouble, or by being backed by a very powerful political-military machine, nevertheless, in the almost four years that the Church has suffered persecution, it has been evident that the majority of the acts of persecution against the Church has been perpetrated by members of the Security Forces and paramilitary organizations. Thus, we deny the versions that at times some members of the government have affirmed, which would blame other social groups for this persecution.

"Therefore, we place the responsibility of the persecution of the Church, and specifically of those assassinated—the pastoral workers as well as the priests—on the security forces and the extreme right-wing groups. And as a consequence, we also lay this responsibility on the government junta, who by exercising the supreme command over the armed forces, is accountable for the actions of their members. We regret that the regimes previous to the junta and also the revolutionary junta itself, have not fulfilled their promise to investigate the criminal assassinations of Msgr. Romero, the priests, religious and pastoral workers.

"That is why their statements lose credibility and why we cannot accept their excuses, made after the facts, nor the promises of investigations."

The State Department also states they expect there will be changes made within the Salvadoran government structure and that the U.S. is ready to resume its assistance to El Salvador "upon such progress." In response, we state strongly that we do not believe that a reshuffling of the junta members or military would be in any way a sign to resume U.S. aid. Only the immediate end to repression by the security forces could signal any significant progress in El Salvador. Again, we quote and support the same statement of Bishop Rivera y Damas:

"Only an immediate and effective halt to the repression and the persecution would show a decisive will to terminate both, and so to exonerate the junta of their responsibility to some degree. And only the immediate halt to the repression and the persecution would give any credibility to the repeated offers for dialogue to bring peace to the country. In any other way, all possibilities for achieving true peace in the country through non-violent means are being choked off.

"And so, we beg the government of the United States, as did our martyr Archbishop Romero in a prophetic gesture, that it not provide military aid to our government. Because in spite of the declarations as to the intent of the assistance, any military aid only facilitates the repression of the people and the persecution of the Church."●

THE MEANING OF FREEDOM

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. CAMPBELL. Mr. Speaker, I am proud to include in the RECORD today for the review of my colleagues an essay by Tammy Alicia Woolbright, an eighth grade student at D. R. Hill Middle School in Duncan, S.C., titled

"The Meaning of Freedom," Tammy's essay truly captures the spirit of America.

Tammy's essay was written in response to the Spartanburg, S.C., Seroma Clubs' National Heritage Week essay contest. It not only won the individual school contest, but took grand prize in the area contest as well.

My thanks to D. R. Hill Principal James D. Henderson for providing me with a copy of this thoughtful essay, and my congratulations to Tammy and to her mother, Mrs. Jane C. Wilson of Inman. Tammy is a fine citizen and does this Nation proud.

The essay follows:

THE MEANING OF FREEDOM

(By Tammy Alicia Woolbright)

Freedom, a word that we consider just that—a word—is the hope, the joy, the bright light at the end of a dark tunnel for people all over the world. This one idea that emerged from the single want of our forefathers has been nurtured and has grown into the basic principle of a great nation, the United States of America.

In times of crisis such as the recent capture of Americans in Iran, we are forced to realize how fortunate we are. Fifty-two more Americans have shown the remainder of us the true meaning of freedom. They have reminded us of the value of the freedom that our forefathers fought so hard to gain, defend, and keep for themselves and their descendants.

The true meaning of freedom cannot be defined within one phrase. It is, in truth, many meanings to many people. These meanings can be small or large but each is just as important as the word itself. To people in Poland, it means only working five days a week; to children, it means a butterfly floating across a meadow on the wind. To soldiers returning from war, freedom means peace and Old Glory as well as our flag of red, white, and blue. To the hostages, it means being able to walk outside without captors by their sides or blindfolds upon their eyes.

Freedom is the controlling of your life and not having it controlled for you. Freedom is the right to speak as you think, and do things you like, which may be outlawed by communist governments. To artists, it is the right to paint what is really in their hearts. To others, it is the right to worship as one pleases.

Freedom, like every other thing, has its boundaries. The boundaries or laws protect your freedom and other's freedom as well. They restrain freedom from becoming wild and dangerous.

Freedom is a privilege we as Americans all have in common. Are we willing to defend our rights to hold our greatest privilege or are we going to sit back and slowly watch it disappear from our lives? Let us pledge to preserve and defend our freedom as we hope our descendants will. The world is depending upon us alone to preserve the rights of freedom. Will our heritage be remembered in history as a short lived hope and only for a moment a reality?

Let us instill the honorable cause of freedom in our children so it will continue to be the bright light and small candle in a world of darkness and despair. Do not let the future of America die. Today, the choice is ours.●

NONIMMIGRANT ALIENS

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. NICHOLS. Mr. Speaker, I am joining with the other members of the entire Alabama delegation to introduce legislation which would give the President the power to immediately order deported broad categories of nonimmigrant aliens.

This legislation is necessitated by the recent deplorable events which occurred in Iran when our fellow citizens were taken hostage.

Our research reveals that the Federal courts have unquestionably stated that the Congress has broad constitutional authority to determine what aliens shall be permitted entry into the United States, the period they may remain, and the regulation of their conduct once so admitted.

Our legislation would provide that upon a finding by the President that an act of terrorism or other hostile act has been committed against one of our citizens, corporations, and so forth, by or with the assistance of a foreign government or in a foreign state and with the acquiescence of that government and, also, upon a finding by the President that it is in the Nation's interest to limit entry into or expel from U.S. nonimmigrants or that state, the President may sign an Executive order expelling these nonimmigrant aliens.

Nonimmigrant aliens fall into the following categories: Diplomats, business visitors, tourists, crewpersons, aliens in transit, trade missions, students, representatives accredited to international organizations, fiancées, aliens temporarily performing services of an exceptional nature, foreign press and media, and aliens participating in State Department programs.

I am convinced the people in my district, as well as, throughout the State of Alabama perceived the United States as being completely impotent in dealing with the very hostile Iranian Government. This measure would give to the President greater leverage in correcting this imbalance and we expect our legislation to draw broad bipartisan support.

Thank you.●

OIL CONSERVATION AND UTILITY RATES

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. CORCORAN. Mr. Speaker, I would like to share with my colleagues a thoughtful analysis of some of the

major problems facing the U.S. electric utility industry. The author, Peter Navarro of the Harvard University's Energy and Environmental Policy Center, discusses issues which my colleagues and I who serve on the Energy and Commerce Subcommittee on Energy Conservation and Power debate regularly, but these are questions which ultimately the full House of Representatives must face:

OIL CONSERVATION AND UTILITY RETURNS

(By Peter Navarro)

When the price of oil hurdled past the \$30 per barrel barrier in 1979, the electric utility industry crossed an important threshold: It became cheaper to build, operate and fuel new coal or nuclear power plants than it was to continue to operate and fuel existing petroleum power plants. Specifically, at \$30 per barrel, it becomes economic to displace roughly two-thirds of utility baseload oil consumption with new coal or nuclear plants. When natural gas prices are decontrolled, the same will be true of baseload gas-fired power plants.

The rational economic response of utilities to this sudden "economic obsolescence" of their petroleum plants should be feverish construction of new coal and nuclear plants to replace them or, where feasible, the conversion of these petroleum-guzzling economic dinosaurs to coal. Such a response would be most welcome both to national policymakers intent on reducing the three million barrels per day of utility petroleum consumption in the U.S., and to ratepayers, who would benefit by lower rates that will result from replacing petroleum with more economical coal or nuclear.

Instead, the industry appears to be largely ignoring the new economics of "petroleum displacement." Indeed, rather than accelerating new construction, it is delaying or canceling previously scheduled capacity. The National Electric Reliability Council (NERC) of Princeton, N.J., reports over half of the new capacity scheduled for 1979 through 1988 was delayed an average of 20 months. That could mean additional petroleum consumption of up to 2.2 billion barrels over the next decade. At the same time, fully two-thirds of economically feasible capacity has yet to be converted.

The obvious question is why has the industry failed to respond to the new economics? Part of the answer is, undoubtedly, difficulties with permitting and environmental laws and uncertainty over petroleum prices. But unquestionably the single most important factor is the dramatic deterioration in the industry's financial health since the Arab oil embargo.

RELUCTANT MANAGEMENT

Whereas previously the industry was characterized by bond ratings predominantly AAA and AA, it now falls predominantly into the A and BBB category, indicating an over 200-basis point increase in its cost of debt capital at today's rates. At the same time the average market-to-book ratio has plunged well below one; thus any new equity issue implies a "dilution" of existing shareholders' stock. The result is that management is very reluctant to issue new equity shares for fear of diminishing the value of existing shareholders' stock and equally reluctant to issue new bonds because of the rise in its cost of capital. Moreover, the lower-rated utilities can't even issue new bonds because of indenture provisions or the "prudent man" rule, which pro-

hibits institutional investors from buying bonds below BBB. The result is a severe capital constraint which has forced the industry to shift its planning objective away from its traditional mandate to provide least cost reliable service to a strategy of minimizing new power plant construction.

What accounts for the industry's dramatic fall from financial grace? Some suggest it is mismanagement, but such an explanation is too facile. While some utilities are in worse shape than others, all are in serious financial straits. Bad management could hardly be that pervasive.

The other obvious candidates are higher energy prices and soaring capital costs. But while inflation is a large part of the problem, the root of the problem is electric utility regulation. Regulation has not—and in some cases simply will not—allow utilities to earn a rate of return (ROR) commensurate with their current cost of capital.

The statistics are startling. Because of regulatory lag, no major regulated utility was able to realize its "allowed ROR" in 1980. Moreover, in almost every case, the realized ROR was below the utility's current cost of capital. But clearly, if a utility cannot earn a current return on new investment, then any capital expenditures subject it to a loss. Thus it is not surprising that utilities are reluctant to build. While such construction would reduce petroleum imports and lower electricity rates, it increases financial risk and reduces shareholders' real income.

Interestingly, many utilities are justifying their failure to build new capacity under a newly unfurled banner of conservation—signaling an apparent convergence between an industry formerly wed to the "hard path" of new construction and energy doves who advocate a "soft path" solution to the "energy crisis." But delaying new power plant construction in the name of conservation ignores the economics of reducing oil use and will lead us not out of the import trap but deeper into it.

From the standpoint of national energy policy, the primary purpose of conservation is to reduce petroleum imports. To the extent that it achieves this goal, conservation is an undeniable "good." Conservation is "bad," however, when it is used as an excuse to curtail otherwise economically rational power plant additions to displace oil.

Unfortunately, many proponents of conservation mistakenly regard it as a substitute for new construction. But one must carefully differentiate between construction necessary to meet load growth and that undertaken to economically displace petroleum. To understand this distinction, observe the risks and rewards of believing the "hard" versus "soft" path forecasts.

NERC has projected an average annual increase in electricity demand of 4.1% over the next decade, implying a 50% increase in capacity. On the other hand, the Solar Energy Research Institute (SERI) has suggested that zero or slightly negative growth rate is possible, implying little "need" for new powerplants.

Suppose that utilities build to meet NERC's forecast and NERC is right. Then, the lights stay on, and our petroleum problem may even improve slightly since the new economic non-petroleum plants will be used more and existing petroleum plants less. But if growth is actually less, then in many areas each new megawatt of non-petroleum capacity will replace a megawatt of petroleum plant; and petroleum consump-

tion, along with electricity rates, will be less than they otherwise would be.

Suppose, however, that the industry believes SERI and builds less. If SERI is right, our petroleum problem gets no worse but neither does it get much better, and regions such as New England and states like California and Florida will continue to rely on petroleum for over half of their electricity.

But what if SERI's forecast turns out to be wishful thinking conservation, and people simply don't respond? What if it underestimates the shift to electric heat or Detroit begins to mass produce electric cars? Unlike with overforecasting, the penalty for underforecasting is real. Both imports and electricity rates will rise sharply as utilities run existing petroleum plants at higher capacity factors to meet incremental demand. Moreover, as the threat of blackouts emerges, there will be a mushrooming of "short construction cycle" oil and gas combustion turbines—a response that will extend import dependence into the next century.

THE REAL POINT

The real point is not which forecast to believe but rather that new capacity does not necessarily trade off with the gains from conservation. While that tradeoff has some validity in regions like the Midwest that use little petroleum to generate electricity, it is equally true that in heavily petroleum-dependent areas the gains from conservation must go hand in hand with the gains from new capacity which produces electricity from non-petroleum sources.

The mistaken notion that conservation is always a substitute for new construction is most frequently heard in the regulatory arena as a dispute over "reserve margins," which measure the percentage of capacity a utility has over peak demand. The traditional rule of thumb has been 20% margins above that "safe" level are supposed to signal "goldplating" to boost utility profits. But the new economics of petroleum displacement require a more modern view: The 20% rule should be viewed merely as a lower bound below which no utility should fall for reliability reasons, but above which a utility may want to go for economic reasons.

The Department of Energy's National Electric Reliability Study has brought this distinction into sharp focus. The study determined what reserve margins provided the least cost electricity to ratepayers in different regions. It found "economic reserve margins" to rise with the amount of petroleum in a region's generation mix. For example, if New England, which depends on oil for over 50% of its electricity, were to build to a 27% "reliability" reserve margin, the cost of electricity generation would be 9.9 cents/kwh; but that cost could be cut in half if it built to an "economic" 78% reserve margin. Similarly, DOE found the economic reserve margin for the Southern California-Nevada region to be 70%, and 49% for the Florida-Southern Companies region.

These results vividly illustrate that there is economic justification for building new power plants on the basis of petroleum displacement. There is then no difficult choice to make between the soft path of conservation and the hard path of new power plant construction. That is a false dichotomy. There is only a sprint as quickly as possible down the "smart path" that encompasses both options—the pursuit of economically rational petroleum displacement through conservation and new construction. ●

**LEGISLATION TO GET STARTED
ON FILLING UP OUR CRITICAL
STOCKPILES**

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. McDONALD. Mr. Speaker, I am today introducing legislation to purchase certain materials for our strategic and critical materials stockpile. Many critical materials essential to wartime operation of our industry are either not available in the United States or only available in small quantities in the United States. Such items would have to come from overseas and the fact is that the U.S. Navy no longer controls the seas. Even if the U.S. Congress approves the new Reagan defense budget, it will be years before our Navy can return to No. 1 position in the world. Deficiencies in national stockpile, on the other hand, can be remedied in a much shorter time.

The legislation I am introducing today calls for the purchase of three items: silver, platinum, and nickel. According to the stockpile goals of the Federal Emergency Management Agency, we have no nickel in the stockpile. The goal is to acquire 204,335 short tons of nickel. My bill would provide the sum of \$12,000,000 for the acquisition of nickel. At today's prices this would provide one-fourth the amount needed. The United States imports 77 percent of its required nickel. Nickel is used in the electroplating and in conjunction with chromium in the manufacture of stainless steel. This bill would also provide \$95,000,000 for acquisition of platinum. Platinum is used as a catalyst in the manufacture of gasoline, as well as in the production of fertilizers, and in the electronics industry. Southern Africa has 86 percent of the world's known supply of platinum. In the midst of a possible world war III, there will be no U.S. Navy ships available to escort ships to the United States from southern Africa. Our stockpile is 861,360 troy ounces short of that item for wartime needs.

The last item in my bill is \$131,000,000 for the purchase of silver. Silver is not a deficit item in our stockpile, or at least not according to the last administration which has proposed selling it. However, this body has seen fit to reject the sale of silver on several occasions, and this is the correct view, I feel. I am hopeful the Reagan administration will have a different opinion. Silver is a precious metal and is still needed in many weapons—the MX missile among them as well as our submarines. Silver is a precious metal and should also be held as a national reserve for use as currency, if needed, among other things.

In introducing this legislation I am aware that my proposal does not cover all our stockpile shortages, but it is a start. We must be prepared, if need be, to fight a prolonged war. We just cannot afford to let some of our defense industry grind to a halt in wartime over lack of materials.●

**GOVERNMENTS CAN TERRORIZE
PEOPLE TOO**

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HARKIN. Mr. Speaker, Pat Kinney is a writer at the Ames Daily Tribune, a newspaper which is published in my congressional district in Iowa. He has written a very perceptive column which I would like to share with my colleagues.

Mr. Kinney has noted the fatal flaw in the administration's so-called anti-terrorism campaign. He reminds the administration that they must not gloss over the fact that governments can terrorize people, too.

I insert Mr. Kinney's editorial at this point in the RECORD:

[From the Ames Tribune, Feb. 18, 1981]

TERRORISM

(By Pat Kinney)

The Reagan administration has launched an all-out propaganda campaign against international terrorism, which the administration says is centered in Moscow.

Such rhetoric could be considered saber-rattling, and the motives behind this campaign should be fully explained by the administration.

Hardly anyone doubts the Soviet KGB has done some terrible things during its existence. It's also reasonable to conclude that anti-American, anti-NATO terrorist groups are aided by nations with similar sentiments, including the Soviet Union.

So what else is new? The Western intelligence community monitors activities of anti-Western terrorist groups and nations which support them.

And let's not forget the record of our own Central Intelligence Agency in wreaking havoc on unfriendly governments. Anti-Western forces don't monopolize covert activity.

Former CIA director William Colby, speaking on ABC-TV's Nightline program Monday night, said combating Soviet-backed terrorism is nothing new. If we've heard all this before, why is the Reagan administration and some members of the news media suddenly beating us over our heads with it again?

Secretary of State Alexander Haig has said international terrorism has become the greatest threat to human rights today. In these days following the hostage crisis, many persons would agree and say it's time to crack down on terrorism.

But is fighting terrorism the Reagan administration's main objective? Or, by making the USSR (and communism) synonymous with terrorism, is the Reagan administration asking us for a blank check to intervene anywhere it says there's a threat?

Will the administration use its "anti-Communist terrorism" campaign to justify increased support for the human rights-violating dictatorships in El Salvador, South Korea, or any other repressive government which serves only our short-term interests?

Hopefully, Reagan administration officials recognize that "anti-Communist" or "anti-terrorist" governments aren't necessarily "pro-humanity." Governments can terrorize people, too.

In the presidential debate, candidate Reagan said we should work to change repressive policies of governments with our sphere of influence. We should hold our new president to that task.

Let's hope our government won't be selective in its campaign against terrorism.●

**CUTTING THE FAT OUT OF THE
BUDGET**

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mrs. SCHROEDER. Mr. Speaker, recently, the Committee on Post Office and Civil Service reported its budget recommendations to the Committee on the Budget. Although the committee found itself unable to comment on reductions in postal subsidies and Federal employee pay because the Reagan administration failed to supply sufficient details, the committee did consider and adopt recommendations lowering the amount of money spent on the civil service agencies of the Federal Government. Overall, the committee recommended a slash of \$15.3 million from the Carter budget and \$3.3 million from the Reagan budget.

We, on the authorizing committee, know where there is waste, duplication, and fat in the agencies under our jurisdiction. The Committee on Post Office and Civil Service acted responsibly in identifying those areas for the Budget Committee. Today, I am sending to Chairman ROYBAL of the Subcommittee of Treasury, Postal Service and General Government of the Committee on Appropriations a letter describing the cuts recommended by the Committee on Post Office and Civil Service. I hope that this subcommittee considers the views of our committee in marking up the fiscal year 1982 appropriations bill.

I insert a copy of my letter to Chairman ROYBAL in the RECORD at this point:

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,

Washington, D.C., March 18, 1981.

HON. EDWARD R. ROYBAL,
Chairman, Subcommittee on Treasury,
Postal Service and General Government,
Washington, D.C.

DEAR MR. ROYBAL: The Committee on Post Office and Civil Service recently unanimously adopted the budget recommendations of the Subcommittee on Civil Service concerning the appropriate funding levels

for the Office of Personnel Management, the Federal Labor Relations Authority, the Merit Systems Protection Board, and the Office of Special Counsel for Fiscal Year 1982. The sum total of the budget recommendations is significantly lower than the total sum provided in the President's budget request of March 10, 1981.

Specifically, the Committee recommended a salaries and expenses budget for the Office of Personnel Management of \$113.9 million with the reductions to come out of staffing services, Civil Service Reform Act evaluation, and technical assistance to state and local governments. The Committee recommended that the Federal Labor Relations Authority receive a budget of \$19.8 million to discharge its new and expanded functions and reduce its backlog. Further, the Committee recommended that the budget of the Merit Systems Protection Board be reduced to \$13.8 million, with the cuts to come out of Merit System Review and Studies and out of the General Counsel's office. A slight increase in funding for the appeals functions was recommended. Finally, the Committee recommended that the Office of Special Counsel be funded at a level of \$5.2 million to handle the cases sure to develop during the Presidential transition.

I would hope that the Committee on Appropriations would consider the views of the Committee on Post Office and Civil Service in establishing funding levels for these agencies. Further details on the proposed spending levels are available.

Warm Personal Regards,

PATRICIA SCHOEDER,
Chairwoman. ●

BIGOTRY REARS ITS UGLY HEAD

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. MARKEY. Mr. Speaker, an editorial from the News-Mercury Papers reminds us that bigotry and the destructive acts it fosters still infect our communities. For too long we have relied on civil rights legislation to provide equal education, employment, and housing opportunities. These measures, while essential to defeat discrimination, do not reach the deep feelings of bigotry harbored by many individuals. The growing number of incidents of racial and religious prejudice across our country can be seen as a reflection of this enduring intolerance. I commend the response of my native city of Malden and the publishers of the News-Mercury Papers and offer their actions as an example of how bigotry, especially among the young, must be confronted, if it is to be at all defeated.

The editorial follows:

BIGOTRY REARS ITS UGLY HEAD

Too often has the bigotry of the few be-mirched an entire community. The unfairness of such implications is manifest.

Yet, if a community is disposed to ignore such a stain on its reputation and takes no overt action to cleanse itself of defaming elements, it is deserving of censure.

In recent months the City of Malden has been the scene of at least one virulent act of anti-Semitism in the form of vandalism and other verbalized harassment directed at a French-born Jewish shopkeeper operating a small market.

Until recently police investigators were stymied in their probe of a number of incidents including the spray-painting of anti-Semitic slurs on a wall of the market premises. Detectives now have testimony to the effect that two juveniles were responsible.

Parents of the two boys are said to have confessed the wrongdoings of the youngsters and at the same time expressed their sincere regret for these transgressions.

No decision has been made whether shopkeeper Marc Benayer will press charges against the juveniles but the police officer in charge of the case, Lt. John Mastrangelo, intends that a meeting involving the youths, their parents, Benayer and police officials be held to discuss the matter.

Mastrangelo is intent upon this course of action. He is right in his decision not to dismiss this case without first impressing upon the juveniles and their parents the import of the acts of vandalism and harassment for which they are responsible.

All too often these incidents are too lightly glossed over leaving the perpetrators with the impression that their trespasses were of minor consequence.

According to Martin Goldman of the Anti-Defamation League of B'nai B'rith, the Benayer case is one of 37 anti-Semitic attacks or acts of vandalism reported to his agency in 1980. There is no question many more such incidents occurred but went unreported.

There is a disposition among too many victims of anti-Semitic violation, as well as groups such as the Anti-Defamation League to keep such incidents out of publication. We are convinced this is the wrong way to effect any remedy for anti-Semitism, or at least intensely discourage its proliferation.

Perpetrators (juveniles probably excluded in most cases) of anti-Semitic transgressions—in fact those responsible for acts of bigotry inflicted upon persons of any race or religion—should be exposed for what they are and dealt with as dangerous antisocial violators of the law.

Adults who influence youths to commit acts of bigotry are guilty of an even greater crime. It is a form of debauchery that inflicts injury not only on the victim, but the young perpetrator as well.

The City of Malden has demonstrated it will not countenance the evil of anti-Semitism. ●

MARCH 15—A TRAGIC ANNIVERSARY FOR ANATOLY SHCHARANSKY; A BLACK DAY FOR HUMAN RIGHTS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. LENT. Mr. Speaker, this past Sunday was a black day for the cause of human rights. March 15, 1981, marked the fourth anniversary of the arrest of Anatoly Shcharansky, one of the most courageous fighters for freedom in the Soviet Union. It is a tragic anniversary for Shcharansky, whose struggle with the heartless Soviet

regime has won the admiration of the world. When he was seized by the Soviet authorities on March 15, 1977, there was a worldwide reaction of shock and outrage. The reaction was so severe that the Soviet authorities waited more than a year before daring to bring Shcharansky to a show trial with trumped-up charges of treason, espionage, and anti-Soviet activity. He was sentenced to a 13-year prison term.

The real reason for the harsh Kremlin action against this heroic dissident was his success in alerting the world to the Kremlin's unrelenting persecution and oppression of Soviet Jews, and his courageous and unrelenting efforts to achieve freedom for himself and his wife.

Anatoly Shcharansky has never stopped fighting for the freedom to practice his religion in the country of his choice, since that day in 1973 when he applied for permission to emigrate to Israel. From that day he became a marked man, a target for harassment, surveillance, and persecution by the Soviet authorities. He underwent repeated questionings by the notorious KGB, the Soviet secret police. He was arrested a number of times. In 1975 the KGB went so far as to warn him that:

Your destiny is in our hands. . . . You have to know that no one in the West is interested in you and all that you are doing here and nobody will say a word in the entire world if there is one more Prisoner of Conscience in the Soviet Union.

The Soviet secret police could not have been more mistaken.

Shcharansky's arrest and imprisonment has brought a torrent of protests from around the world. His fate became a focal point for united States-Soviet relations. Members of Congress, Senators, and even the President of the United States joined to denounce the false charges brought against Shcharansky, and to demand he be set free.

With typical Soviet arrogance, the Kremlin ignored the tremendous outburst of protest against Shcharansky's arrest. In fact, recently, we have received reports indicating that the Soviet authorities have intensified their persecution of this brave man. As if 4 years of confinement have not been sufficient, we learn that Shcharansky has written that all meetings with members of his family have been forbidden for this entire year. He may write only one letter every 2 months, instead of two letters each month as had been previously permitted. Shcharansky's wife, Avital, fears that her husband is being held in solitary confinement, which would mean that his food allotment and exercise privileges have been reduced.

Mr. Speaker, such heartless persecution must not be allowed to continue.

We in the Congress must unite in protesting this brutal treatment of a most heroic man, whose only crime is his desire for freedom. If we allow this sort of inhumane persecution to continue without protest, it will simply encourage the Soviets to increase their persecution of the thousands of Soviet Jews who seek, with Shcharansky, to breathe the sweet air of freedom in Israel. I urge my colleagues to join me in redoubling our demands for freedom for Anatoly Shcharansky and for every Soviet Jew who wishes to leave the Soviet Union. The stronger our protests, the more likely they will be heard, even behind the walls of the Kremlin. ●

LEGAL SERVICES COMMITTING SUICIDE

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. SENSENBRENNER. Mr. Speaker, last month, I exposed an extensive lobbying effort that was being orchestrated with taxpayers' funds by the Legal Services Corporation staff to secure passage of its reauthorization. At the time, I requested an investigation of these practices by both the General Accounting Office and the Department of Justice.

In the Milwaukee Journal of Sunday, March 15, 1981, columnist James J. Kilpatrick wrote that if the Legal Services Corporation dies, it will have done itself in.

Mr. Kilpatrick has supported the Legal Services Corporation over the years, but apparently the lobbying activity was the final straw in his eyes. So that the Members will have the benefit of Mr. Kilpatrick's wisdom, I am including it in the RECORD.

LEGAL SERVICES COMMITTING SUICIDE

(By James J. Kilpatrick)

This is a hard column to write. For the past seven years, in lonesome opposition to fellow conservatives in Congress and in the press, I have been sticking up for the Legal Services Corporation. Now President Reagan wants to abolish it. It hurts to abandon a favorite cause, but maybe the time has come to let it go.

If Congress concurs, it will be said of the Legal Services Corporation that Reagan and the New Right "killed it off." Don't believe it. This would be a case of suicide, not homicide. The Legal Services Corporation, through its own failure to heed repeated warnings against its own activism, will have done it itself in.

STRIVE FOR IMPOSSIBLE

The concept was so good. Call me a starry-eyed idealist if you will, but some American ideals deserve a starry-eyed devotion. One of these is carved in stone above the Supreme Court: "Equal Justice Under Law." It is an impossible ideal, to be sure, but no matter. We ought to strive for the impossible now and then.

The idea behind the Legal Services Corporation was to put some element of balance in those famous scales of justice. The idea was to see that the poor person got a fair shake in his encounters with the civil law. Was he being wrongly evicted from his home? Was he being unfairly persecuted by a creditor? Was he being denied some public benefit that rightfully was his? Was he trapped in some impenetrable maze of regulations?

Almost 40 years ago, as a young reporter, I covered what were known as the Civil Justice Courts. Here was a rough form of stamp style. Every city has such tribunals. Here merchants and doctors and loan sharks sue for unpaid bills. Landlords seek eviction orders. Many defendants never appear at all. Other defendants stand in bewildered resentment. They never heard of a garnishee. "Judgment granted . . . Judgment granted . . . Judgment granted." Ordinarily the poor fellow never stands a chance.

MISSION TO HELP

Thus in 1974 came the Legal Services Corporation, with a mission to help. And it has helped. Through 323 local programs employing 5,000 lawyers, the corporation has gone to bat for thousands of poor persons in need of legal assistance: domestic relations, child custody, housing problems, welfare checks, divorce, employment. Such humble causes are overwhelmingly the business of the LSC.

But the corporation is heavily and unhappily influenced by ideological activists who have grander ideas. They see their role as a remaking of society. Many of the younger LSC lawyers are fresh caught from law school. Often their energy is surpassed only by their immaturity. Their passions cannot be fired by the humdrum fuel of a custody case. They want to be aggressive.

One of the corporation's oldest hands, research director Alan Houseman, circulated a fire-breathing staff memorandum on Dec. 29. He feared for the survival of "committed, aggressive and political staff." He pleaded for "aggressive advocacy," which he defined in terms of "legislative and administrative representation, litigation and community education." He foresaw possible restrictions that would prevent the LSC lawyers from suing local governments.

LOBBYING EFFORT

The Houseman memorandum outlined a comprehensive lobbying effort to preserve not only the Legal Services Corporation but other social programs also. He suggested battle plans for opposing Reagan appointees who might be "hostile to aggressive legal services." He anticipated "severe problems with the Senate." He charted strategies for effective lobbying, and in a companion memorandum he proposed specific lobbying assignments for members of the LSC staff—for Dan, Mary, Mario, Judy, Bruce, Bernie, Gerry, Steve, Alan, Andy and others.

Observers differ on whether the law prohibits the corporation from using public funds for such lobbying. That issue is almost immaterial. The question is whether the corporation, under present law and present leadership, is capable of adhering faithfully to the humble but important duties for which it was created. The Houseman memoranda raise almost insurmountable doubts.

The concept is worth saving. Heaven knows it is! I will cling to the ideal willy-nilly. But perhaps some other mechanism—block grants to the states, or pro bono services by private attorneys—would be better.

If the corporation dies, the need will still be there. ●

TOWARD A JUST AND LASTING PEACE IN NORTHERN IRELAND

HON. JOHN LeBOUITILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. LeBOUITILLIER. Mr. Speaker, within the context of world turmoil and human suffering, the events which continue to occur in Northern Ireland command special attention, and deserve swift action to bring about a just and lasting peace to that troubled land.

It is, therefore, with great pride, that I bring to the attention of the House of Representatives, the efforts of the New York State Assembly, which seeks, through an official legislative resolution, to persuade the world community to work toward a resolution of conflict in Northern Ireland and the restoration of true peace.

I urge all those in positions of leadership to take note of the sentiments and proposals of this resolution, and adopt a similar commitment to the cause of those people in Northern Ireland who seek only to be free.

The resolution follows:

LEGISLATIVE RESOLUTION—STATE OF NEW YORK

Whereas, there have been many contributions made by men and women of Irish ancestry to the State of New York, to the building of our Nation, and to the Cause of Freedom everywhere since the earliest times; and

Whereas, the fact that Ireland is artificially partitioned against the wishes of the overwhelming majority of the Irish people; and

Whereas, The Irish people in the six-county area of Ireland known as "Northern Ireland" are denied basic civil and human rights, and are unable to obtain either adequate protection or equal justice under law; and

Whereas the explosive situation in "Northern Ireland" presents an imminent and realistic threat to the peace and is, therefore, the legitimate concern of all men; and

Whereas, it is in the best interests of the United States that there be a just and equitable solution to this problem in order that peace, order, justice and well-being be restored to that part of the world; and

Whereas, for humanitarian reasons, as well as out of respect for the principles of freedom, liberty, natural law, justice and history, we hereby take notice of the dangerous and deplorable state of affairs in Ireland: Now, therefore, be it

Resolved, That this Legislative Body respectfully, yet firmly, urges, memorializes and petitions the President and the Congress of the United States to manifest our country's traditional position as guardian of freedom and republican-democracy, the dignity of all mankind, freedom of conscience, and mankind's universal natural rights, by taking such affirmative action as will tend

to persuade all concerned parties, and the world commonwealth of nations, to seek a speedy, just and equitable solution to the dangerous situation in the "North" of Ireland, and to formally express the moral opinion that:

"The Irish people ought to be permitted to exercise the Right of National Self-Determination, thus returning the disputed six counties of northeast Ireland to the Irish Republic, unless a clear majority of all the people of Ireland, in a free and open plebiscite, determine to the contrary"; and be it further

Resolved, That copies of this resolution, suitably engrossed, be transmitted to the Honorable Ronald Reagan, President of the United States, to the Honorable Alexander Haig, Secretary of State of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States and to each member of the Congress of the United States from the State of New York. ●

WHAT IS HAPPENING IN EL SALVADOR?

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ROSENTHAL. Mr. Speaker, the American people have great cause for concern about El Salvador and the crisis there. The Reagan administration is not helping us to understand what the fighting is about. It certainly appears that the President and the Secretary of State are determined to commit the prestige of the United States to something they called the established Government of El Salvador. Based upon what I know now, I will oppose such a policy, especially the extension of military aid to this established Government's armed forces.

The proper role for the United States in El Salvador is not a partisan question. Both the Carter and Reagan administrations decided to support the current government of military officers and token civilians, and to present this junta as the last and best hope for a middle way in a society that has disintegrated and is at war with itself. The key difference between the Carter and Reagan handling of the crisis is the latter's decision to blame the unrest there on the Soviet Union and Cuba, and to use this crisis as the time and place to give international communism a bloody nose.

It is more than likely that the left-wing rebels in El Salvador are armed by the Communist bloc, yet it is foolish to conclude that an arms-supply relationship determines the character of the men and women using the weapons. The United States gives vast amounts of military aid to Saudi Arabia, does that make the Saudis democratically inclined? Obviously not.

El Salvador is a profoundly unfortunate country. It is poor, disease ridden,

densely populated, and for more than 150 years it has been badly governed. A succession of tyrannies have ruled in behalf of a privileged class that controlled all the land, commerce, and trade. Within the past 10 years reform-minded politicians, with the aid of the Catholic Church and the trade unions, tried to take control of the country away from the military and the rich.

The contest between those who held the power and the money, and those who wished to raise the living conditions of the people, is the principal reason for El Salvador's current misery. I am inclined to believe that the reformist Salvadorans took their inspiration from the simple and natural desire to see their people healthy and sheltered. The same instincts any of us would have.

Serious attempts at reform began in October 1979, when some 40 young officers in the Salvadoran Army ousted President Carlos Humberto Romero in a bloodless coup. Unfortunately the leaders of the coup disagreed amongst themselves, and the rightwing elements in the army backed by the wealthy business and commercial communities tried to reverse the move toward reform.

Not only have the efforts of the reformers been thwarted, but they and their families have been the objects of terror and murder. Fourteen thousand Salvadorans have been murdered in the last years; compared to the population of the United States, this is equivalent to 750,000 Americans. Among the dead in El Salvador were prominent reform politicians, trade union leaders, respected teachers, and scholars. Even the archbishop of the Catholic Church was murdered while celebrating Mass. Few people dispute the fact that either the Government's troops or the paramilitary forces of the right were responsible for the majority of the killings.

Because the Government of El Salvador is not in complete control of its armed forces, I believe it is unwise for the United States to give it further military aid. We will have no way of knowing to what ends such arms will be used.

The Salvadoran people are now working out what course they want their country to take. I oppose all forms of military intervention, and I believe we should use our good offices to keep El Salvador free of outside military interference. Military aid per se does not insure that. In fact such assistance would only invite more arms supply from the Communist bloc.

El Salvador is not Vietnam. However, I see our Government making mistakes in judgment similar to those we made when we embarked upon military assistance to the Diem regime and its military successors. The Presi-

dent and Secretary of State have accepted the view that the crisis is caused by outsiders without having looked for or considered the indigenous social and economic forces which bred it.

It is important to understand the complexity of Salvadoran politics. We do not have a simple contest between decent moderates and violent leftwing guerrillas. At one time the present junta counted among its leaders prominent Social Democratic politicians. Most of them have left, many to join in an uneasy and highly volatile coalition with the Marxist revolutionaries. In El Salvador today the center has dissolved, and the United States cannot create what the Salvadorans themselves have failed to bring about.

This is not my view alone. It is shared by some members of the State Department, and our former Ambassador to El Salvador. Almost every Latin American nation, and even our NATO Allies, have already communicated to us their displeasure with our policies and their grave reservations about its wisdom.

The American people know too little about this crisis. We should not be asked to pay for any adventure, domestic or foreign, until we are properly informed. ●

MIDDLE EAST BASES

HON. JAMES A. COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. COURTER. Mr. Speaker, as a member of the House Armed Services Committee, I have had the opportunity to visit a number of nations friendly to us. Our allies and friends are virtually unanimous in the advice given to members of the Armed Services Committee who recently returned from the Far and Middle East. With regard to the Soviet Union, they expect us to act like a superpower. We must get over the Vietnam syndrome and defend our global security interests. In earlier decades, our insularity was a virtual guarantee of our security. We were referred to as Fortress America. Today, it is the United States that is at a geostrategic disadvantage, with allies and resources separated from us by thousands of miles of ocean.

Mr. Speaker, because I believe very strongly in this Nation's need to have the capability to protect its allies and interests, I would like to submit, for the RECORD, a brief article that concerns itself with an important component of our national defense strategy, the need for overseas bases or facilities. I am convinced that this article's message, regarding the strategic value of Israel and Egypt, is important for all of us to read. The article is a re-

print of an editorial appearing in the February edition of the newsletter *Jinsa*, a publication of the Washington based Jewish Institute for National Security Affairs. Our Senate colleague, RUDY BOSCHWITZ of Minnesota, is one of JINSA's advisers.

MIDDLE EAST BASES

American interest in Middle East bases is back in the news. The new administration in Washington is far from convinced that the plans of the previous administration for a Rapid Deployment Force that could be moved from the United States (CONUS) to a Middle East trouble spot is a satisfactory approach to maintaining the balance of power in the Middle East and Persian Gulf or thwarting Soviet operations against friendly nations in that region. Nor are they necessarily in agreement with the "trip-wire" concept that underlaid the Carter administration's planning. The idea was to move a force, no matter what its size, to face a potential Soviet invasion. Its very presence was planned to be a deterrent. Today there is doubt such a force would slow down a Soviet operation, particularly in a high stakes game involving oil supplies. There is concern, too, that an American force rapidly defeated could lead to unpleasant negotiations that might spell the end of our influence in the Middle East and the disintegration of the Western alliance system.

Which is why there is a new look at the matter of bases. Some urgency is felt in Washington. A stronger U.S. presence in the Middle East as soon as possible might help stabilize the situation and certainly would give us some opportunity to prevent the defeat of our forces should they be needed.

To say this much invites the question: which bases and where. And that in turn raises some knotty questions—among them whether the countries in the region will permit the United States to establish bases. The last administration finessed this matter a little, by seeking "facilities" instead of bases. However, it was left unclear exactly what a "facility" was in fact and whether and under what conditions we could use these assets. During the last days of the Carter administration proposals were floated to fund facilities in Oman and also at Egypt's Ras Banas base. However, no formal agreement seems to exist to cover Ras Banas or the Omani bases, and private "understandings" are equally murky.

Does this mean that the search for bases by the United States is bound to lead to dead ends or shaky arrangements we will not be able to depend on in a crisis? That need not be so.

There are, after all, a wide range of agreements the U.S. can reach with key allies to strengthen our position in the area. Some of the agreements do not require a formal presence of U.S. troops or squadrons of U.S. aircraft. It is not so hard to move either troops or aircraft, after all. Much more difficult is building the infrastructure we need to do a job, and having the equipment and supplies on hand for our fighting men. Certainly we do not have to do all this ourselves.

Israel, for example, has extraordinarily good facilities and excellent technicians trained to handle U.S. equipment of the most modern kind. Because she is a stable country unaffected by the caustic intra-Arab policies.

Making use of Israel as a resource makes sense and saves the American taxpayer money in the bargain.

Money is saved because we do not have to spend millions on costly repair equipment or send technicians and specialists en masse 6,000 miles from home. We do not have to build fuel storage depots, or train men to guard installations and keep them well run. All of that is already there. What we need to do is supplement the facilities already on the ground, and work out specific agreements covering use. We should, of course, not expect any of this for free. But it is a lot less expensive to use what is there.

Working with Israel implies very strongly working with Egypt. Given the problems in the Middle East and the special politics and sensitivities, the initial framework of a three-way alliance needs to be put in place. It is politic today to do this in pieces and parts. It has not, of course, escaped notice that some of the elements are already in place—but it is the American component that has been lacking.

For the past few years Israel has been treated as a certain embarrassment to the United States.

Obviously we have to get beyond that attitude if anything is going to be done to strengthen our strategic hand. The positive attitude of the President implies strongly that action will be taken.

Perhaps the old idea of walking before running applies as well as anything else. By analogy, we have been walking, but in an altogether peculiar way. Our first task is to walk regularly. Specific arrangements as posited above gets us to that plateau. It gives us a grounding from which the bigger matters such as access to key bases (e.g., Ras Banas, Etzion, Haifa, Masira) can be worked out to the satisfaction of all concerned.●

THE FEC'S ABUSE OF POWER

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. DANIEL B. CRANE. Mr. Speaker, I think that sometimes we create new agencies and new bureaucracies which are supposed to deal with a particular problem, but which usually wind up with too much power. We are derelict in allowing the exercise of administrative and judicial power to flow away from the representatives of the people to the unelected "fourth branch" of Government—the bureaucracy.

One ominous example of that abuse of power has come to my attention lately. It concerns the attempt by the Federal Election Commission (FEC) to force a small, independent publisher of newsletters to register with it as a political committee. It is ominous because if the FEC succeeds, it will have repercussions on first-amendment rights throughout the print and broadcast media. It is an abuse of power because evidence suggests the FEC is misapplying the laws in this case while apparently ignoring requests made of it, which it is bound to obey, under provisions of the Freedom of Information Act.

The case concerns Phillips Publishing, Inc., a Washington-based publisher of 10 newsletters which cover a wide variety of topics. One of its publications is a bimonthly newsletter of facts, commentary and opinion called the *Pink Sheet on the Left*. Nearly a year ago, it criticized the Presidential aspirations of Senator EDWARD KENNEDY, recounted in detail his liberal-left voting record, and encouraged readers to use the information about his record as a way of showing why he should not be President.

Senator KENNEDY's campaign committee complained, claiming the *Pink Sheet* and Phillips Publishing, Inc., should register as a political committee and be subject to all the burdensome, prying reporting requirements which go with it. The FEC decided it agreed with every one of Senator KENNEDY's charges, and has unrelentingly tried to get the publisher to register.

There is one major problem in all this, however. The law under which the FEC was constituted specifically exempts from FEC regulation legitimate news, opinion, commentary or other editorial matter which is presented in regularly published or disseminated media. The *Pink Sheet* has been in existence and issued every 2 weeks for almost 10 years. And Phillips Publishing has no ties whatsoever with anybody's political committee, party or candidacy. What's more, the first amendment guarantees Phillips Publishing, Inc., the right to comment as it wishes even in spite of the FEC. But while the FEC has been pursuing Phillips Publishing, Inc., it has so far refused to respond to the company's requests under the Freedom of Information Act to determine whether there is reason to believe the FEC Commissioners assembled and acted illegally when they voted to go after Phillips.

As the widely respected watchdog group, the Reporters Committee for Freedom of the Press, has observed, if Phillips Publishing, Inc., and the *Pink Sheet* are forced to give in to the bureaucrats, then all newspapers, broadcasters and publishers will be in jeopardy if they express political opinions. The Reporters Committee, in a 13-page brief filed with the FEC, says that its actions constitute nothing more than harassment.

Mr. Speaker, I think this case has serious implications for all of us. Plainly, it is a major concern when the power of Government collides with the rights of the people under the Constitution. It is therefore my opinion that the FEC is well advised to drop its dubious attack on Phillips Publishing, Inc. It should devote itself to handling serious political abuses rather than creating new ones of its own.

Editor & Publisher editorialized against the FEC's abuse of power in its

February 14 issue, and the Washington Post published an article on this subject on February 20, 1981. The articles follow:

[From Editor & Publisher]

PITFALLS IN CAMPAIGN ACT

When the Federal Election Campaign Act of 1971 was passed, then amended in 1974, there was great fear that it might be used eventually to prohibit editorial comment by newspapers on qualifications of candidates. Observers agreed that would be unconstitutional. So Congress excluded from outlawed campaign activities any "news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publications, unless such facilities are owned or controlled by any political party, political committee or candidate."

It appears now that some of the original fears were justified—give a federal bureaucrat an opening and he will try to drive a truck through it.

Almost simultaneously the Federal Election Commission has brought action against two publications—Reader's Digest, the largest magazine in the country, and The Pink Sheet on the Left, a political newsletter representing one of the smallest publications. They are not being questioned by the Commission for what they printed but for what they did in conjunction with that publication.

It is beside the point that both publications are involved because of anti-Ted Kennedy material in the last campaign. It might have happened had they been for or against any other candidate. The newsletter, avowedly anti-Kennedy in its content, included that sentiment in its subscription solicitation material seeking funds to help defeat that candidate. The Reader's Digest launched an investigation of the questions still unanswered after Chappaquiddick and before publication did what all magazines do, sending advance copies to print media and videotapes of its research material to broadcasters.

The Federal Election Commission claims both publications violated the law by soliciting funds to defeat a candidate, in the case of the newsletter subscription campaign, and by spending money to distribute the tapes and thus influence an election, in the case of the Digest.

We believe the Commission is trying to do what Congress specifically prohibited—defining editorial comment and opinion, whether it appears in a subscription solicitation letter or in material distributed prior to publication to other media for publicity reasons, as a "campaign contribution."

It is not too difficult to see that the camel's nose is being stuck under the tent. The Federal Election Commission, in our opinion, would like to eliminate any endorsement of a candidate in print or on the air as representing a "campaign contribution," and may find a way to do it in spite of any congressional exclusion to the contrary.

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

TIME FOR THE FEC TO DECIDE

(By Bill Green)

The Federal Election Commission is tripping over its own procedures and, unless it finds a way out, it could create absurdly distorted political news coverage.

The commission finds itself entangled with Reader's Digest, one of the nation's most widely circulated magazines, and Pink

Sheet on the Left, a conservative, anti-communist biweekly publication with a circulation of about 14,000.

Both are in the middle stages of a process that begins automatically when the commission receives a complaint alleging election law violations.

Reader's Digest published an article on Sen. Kennedy and Chappaquiddick early last year. In preparing for the article, the magazine's editors had an engineer and an oceanographer conduct studies. On Jan. 14, copies of the issue and videotapes from one of the studies were sent out to television networks and other media. Both the story and the tapes received national attention.

Seven months later, an Oregon resident complained to the commission that Reader's Digest had violated election laws by making improper corporate political expenditures that had a negative effect on the senator's campaign.

Phillips Publishing Inc., long in business, produces Pink Sheet on the Left. The company sent out a four-page letter to potential and regular subscribers soliciting subscriptions and funds to place the newsletter in college libraries. The letter emphasized the Pink Sheet's opposition to Sen. Kennedy. In March, the Kennedy for President Committee complained to the commission that Phillips Publishing is a political organization opposing a candidate and should, therefore, have registered with the commission.

Legal counsel for both the Reader's Digest and the Pink Sheet denied the allegations and attempted to stop the commission's investigations.

But the commission's machinery, once started in motion, and unless stopped in court, has to run its course like some giant windup leviathan. The key that begins the process is a complaint that anyone can submit. Once received, a copy of the complaint goes to, in these instances, Reader's Digest and Pink Sheet. Thus begins a series of legal queries and responses until, in the last step, the commission may find, or fail to find, probable cause. Then there's conciliation or enforcement, depending on additional legal negotiation.

However, the act that established the commission specifically excludes from unacceptable political expenditures "any news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless such facilities are owned or controlled by any political party, political committee or candidate."

In other words, the commission need never begin investigative procedures involving favorable or unfavorable political news articles, or the normal promotion of such articles, in established media. The costly, labyrinthine process simply does not have to start if the commission would use the authority of its own act when it first receives a complaint. It would be tougher to dismiss a complaint, to be sure, but the commissioners are not appointed to avoid judgment.

If the commission insists on following the pattern it has established, every news organization in the country taking a position on any national candidate could find itself having to prove in exhausting, unnecessary and ridiculous detail that it is not a political entity and has not illegally used corporate funds in performing its clear First Amendment prerogatives. ●

THE 125TH ANNIVERSARY CELEBRATION OF THE HOREB LODGE OF B'NAI B'RITH OF NEW HAVEN

HON. LAWRENCE J. DeNARDIS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. DeNARDIS. Mr. Speaker, the month of March has been dedicated to a celebration of the 125 years of existence of the Horeb Lodge of B'nai B'rith of New Haven, Conn.

It is an event of major significance to the Jewish community in New Haven, and one that is being celebrated throughout the month with special activities, religious services, and a grand ball.

B'nai B'rith, an organization that has grown in popularity and prestige over the years, is not just another civic or community organization. It has followed consistently the preamble to its constitution which says:

B'nai B'rith has taken upon itself the mission of uniting persons of the Jewish faith in the work of promoting their highest interest and those of humanity; of developing and elevating the mental and moral character of the people of our faith; of inculcating the purest principles of philanthropy, honor, and patriotism; of supporting science and art; alleviating the wants of the poor and needy; visiting and caring for the sick; going to the rescue of victims of persecution; providing for, protecting and assisting the aging, the widow, and the orphan on the broadest principles of humanity.

The Horeb Lodge is a service organization that is part of B'nai B'rith. Originally founded by Jewish immigrants from Germany, it was later joined by the Eastern European Jews. Their services to their community were originally philanthropic and fraternal with death benefits, sick benefits, and others. They were needed badly by the immigrants of the time, and served a worthwhile purpose.

As B'nai B'rith grew nationally and expanded its basic operations, so the Horeb Lodge grew, expanded, and also changed. Their basic objectives, however, remained the same. Today, Horeb Lodge sponsors Hillel Foundation for Jewish Education, disseminated in college-level young people. They have youth programs, youth camp programs, vocational guidance programs to counsel high school students, and career counseling.

It is Horeb Lodge of B'nai B'rith which helped lay the foundation for what has become the Anti-Defamation League. During World War II, when problems of anti-Semitism developed, B'nai B'rith developed a watchdog type of committee in every city, including New Haven. A group of members of the Horeb Lodge served as guardians of the good name of a Jew, and watched for and reported acts of

discrimination. The interest in this aspect of the work of the lodge brought membership to its highest level.

It was through the Horeb Lodge of B'nai B'rith that the mission of uniting persons of the Jewish faith in the work of promoting their highest interest, and those of humanity, was undertaken. It was—and is—successful.

The work of the Horeb Lodge is of major value to the community it serves. As they continue to grow and expand, the celebration they have planned for March 1981, is well deserved, and one that is shared by all of us who so strongly identify with service to our fellow man and woman. ●

ENCOURAGED SUPPORT OF
NAIROBI CONFERENCE ON AL-
TERNATIVE ENERGY—I

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BEDELL. Mr. Speaker, I am beginning today a series of reports on what I believe to be one of this year's most significant international events: The United Nations Conference on New and Renewable Sources of Energy (UNCNRSE), scheduled for August 10-21 in Nairobi, Kenya.

The conference would be an ideal forum for the United States to affirm its commitment to alternative energy development, while alleviating the development problems of underdeveloped counties. I am concerned, however, that this opportunity may be lost for failure to gain the attention and support of the new administration and Congress. Over the coming weeks, then, I intend to highlight the many positive aspects of UNCNRSE including its potential for a cooperative approach to international energy development; the opportunity for private U.S. alternative energy investment abroad; and, perhaps most importantly, the long-term gain for the United States in encouraging energy self-reliance within developing countries.

As many of you are aware, I have been long and deeply involved in renewable energy development here in the United States, particularly alcohol fuels. The Nairobi Conference is unique in that it is the first conference on any aspect of energy that the U.N. has sponsored.

The decision to convene the Nairobi Conference was taken in 1978 at the 33d session of the General Assembly. Its stated objective is to promote an awareness, acceptance, and of new and renewable energy sources. The Preparatory Committee has already agreed to a provisional agenda, and technical preparations are well underway.

The Conference will cover 10 energy sources and 14 related technologies. Eight panels of international energy specialists have identified the present and potential use of solar, wind, geothermal, biomass conversion, ocean energy, fuelwood and charcoal, oil shale and tar sands, and hydropower. Two further studies are being prepared on animal draft power and the use of peat for fuel. In addition, there are six crosscutting panels that will focus on the main obstacles to renewable energy development: Financing; research, development, and technology transfer; information flows; education and training; industrial issues and rural energy. Finally, a synthesis group is meeting to cull the findings and recommendations of the technical and crosscutting panels into a single document.

The Conference itself will serve as the focus of a concerted international effort to promote and develop a wide range of energy alternatives. These efforts deserve our encouragement, and I sincerely hope that my colleagues will offer their support.

For further details, I am pleased to call my colleagues' attention to a recent article, "The U.N. Takes Up the Challenge of the Energy Transition," by Mr. Morris Miller, UNCNRSE Deputy Secretary-General.

THE U.N. TAKES UP THE CHALLENGE OF THE
ENERGY TRANSITION

"Humanity now faces one of the most momentous adjustments in modern history, with little time to prepare for it."—Lester R. Brown in the foreword to *Rays of Hope: The Transition to a Post-Petroleum World*, by Denis Hayes, 1977

THE BACKDROP AND THE OBJECTIVES OF THE U.N.
CONFERENCE

Little time to prepare for it? We were already up to our shoulders in "the momentous adjustment" when these lines were written in 1977, four years after the 1973 oil price "shock". Four more years have passed and we are up to our nostrils and the situation gets much worse by the day, driven by a double-barrelled energy "crisis", one revolving around oil and the other around fuelwood.

The decision to convene the U.N. Conference on New and Renewable Sources of Energy (UNCNRSE) in Nairobi in August 1981 can only be understood against the backdrop of the situation which gave rise to it. This Conference might be considered one of the major steps being taken by the world community to navigate the adjustment or the transition to a new energy future which, over the next few decades, must entail a radical shift away from oil and gas. The challenge is to make this shift quickly, yet smoothly and equitably, that is, favoring the poorer developing countries which can least afford the added pains of the adjustments required.

In a few broad-brush strokes one can reveal the dynamics and the desperation of the situation. The oil-importing developing countries are now running an annual balance of payment deficit of about \$50 billion and this is projected to increase to about \$60 billion over the next two years as the price of oil rises and their energy require-

ments increase by virtue of the growth of population and the economy. The implication of this is simply that these countries have been going into deeper and deeper debt to finance imports for survival and/or development and have now reached a breaking point in their borrowing capacity, or, to put it differently, lenders and donors have stretched themselves to their limit, or at least, as far as they wish to go or dare to go. Developing countries which need to import oil thus face a dire choice between spending their scarce foreign exchange on oil or on food or other essential imports.

As if this were not enough, if these countries were to grow at the rate they experienced in the years before 1973, their oil imports, by the year 2000, could be expected to triple (from 8 billion barrels per day to 25). Even with much slower rates of growth and much greater economy or efficiency in the use of oil, imports of oil could be expected to double over the next two decades. This spells even more debt, more belt-tightening (especially by the poorest) and incredible strain for the present economic order.

Add to this what some call "a second energy crisis", namely, the one related to fuelwood and the picture is even more bleak and desperate. While oil is essential for the "modern sector" of every nation's economy and now accounts for over half of the world's energy supply, wood which accounts for a much smaller percentage, from 4% to 12% depending on various estimates, is as essential. It fills a "basic need" for the world's poorest, the 1½ billion who live in the "rural sector" and on the periphery of the modern sector in urban slums. For them, the search for fuelwood is a matter of survival, it provides the energy to heat and cook. This scavenging process takes more and more time and accelerates the depletion of the world's forest cover which is going on at a rate of 8 acres per seconds or ½ of the total in 20 years. And the rate is accelerating, as a vicious circle sets in: topsoil gets exposed and washed away, soil nutrients are reduced, agricultural productivity and incomes decline, reliance on "free" fuelwood increases . . .

The pressing question is how to slow down, stop and reverse this process. This would call for an effort which, by World Bank estimates, involves the planting of 50 million hectares of fuelwood by the year 2000 just to satisfy the projected demand for wood for heating and cooking, or, to put it another way, a rate of planting which is 5 times present levels taking a global average but which in some countries, calls for a rate of planting 15 times greater.

Both the oil and the related fuelwood crises are intensifying to explosive proportions, especially in the rural areas and urban slums of the poorer oil-importing developing countries where living standards, already abysmally low, are being further reduced.

Under these circumstances, it should be abundantly clear why greater reliance on alternate sources of energy has become an essential cornerstone of hopes for a brighter future. Since 1973 the world community has become painfully aware that the end of the fossil age of energy is in sight. The key question is what would replace these sources of energy.

Coal could become resurgent in its traditional form but it may be impeded by environmental concerns; however, it environmentally is more acceptable as well as more convenient in liquified and gaseous forms;

Nuclear could break out of its stalled trajectory, especially in the form of breeder reactors and fusion though the questions of safety and related issues will remain to constrain its potential;

Solar could once again emerge as the dominant source of energy, a role it played over the millennia before the coming of coal ushered in the fossil fuel era two centuries ago.

Can we consciously make decisions as to these energy options? To do so given the global nature of today's energy network, the decisions call for U.N. involvement. This is the ultimate rationale for the U.N. Conference and for its mandate in terms of time frame and scope.

Given the urgency of the situation, the Conference will focus on the next two decades while keeping the long-term 50-year transition period as a frame of reference. The General Assembly has specified that the focus shall be on a limited list of energy sources labelled "new and renewable", such as solar, biomass, fuelwood and charcoal, hydro, wind, ocean, draught animals, tar sands and oil shale, peat and geothermal (some of which are neither renewable nor new). However, the Conference will consider each of these within a broader energy-development framework within which they will be assessed as alternatives to oil, gas, coal and nuclear power.

Since the Conference is a response to a complex of problems which are global in amplitude, the analysis and discussion will be oriented to the global nature of the energy supply problems, that is, it will be designed to generate proposals for resolving problems which transcend national boundaries and calls for joint action. Proposal of a universal nature which are resolvable by individual countries acting alone will not, of course, be excluded, but the emphasis will be on the global proposals that can constitute items in a Programme of Action which the U.N. and others can be expected to implement.

HOW THE CONFERENCE IS STRUCTURED AND SCHEDULED

The Conference is organized to consider in some depth six of the major institutional constraints which seem to impede the introduction and diffusion of specific alternate energy sources which are judged to be "ripe" (requiring little work on their technological development) or "near-ripe" (requiring research and/or demonstration with a likelihood of being "proven" within the next two decades).

(a) Technical Panels

Eight of these have been organized to consider solar, biomass, hydro, wind, ocean, geothermal, tar sands and oil shale, and fuelwood and charcoal. (Peat and animal draught power are being handled by consultant studies without benefit of panel discussion and revision). Their task is to indicate trends in energy technologies and thereby identify which are promising, that is, judged to be likely to be "significant contributors to the total energy supply. This judgment involves assessment not only of technologies from a scientific/technological perspective but also in terms of (i) costs relative to alternative sources, and (ii) socially and environmentally acceptable.

(b) Ad Hoc Groups of Experts

Six groups of experts are now (during the months of December 1980 and January 1981) in the process of meeting to focus on policies which could influence the rate and manner of introducing the technologies and

related programs which the Technical Panels have identified as promising. The Secretariat is preparing background papers which the groups of experts are expected to modify. The emerging documents from each group will spotlight each of the following six major constraints which impede the rapid "market" penetration of the "new" sources of energy:

(i) Financial barriers to funding energy technologies or programs which, because of their newness or scale, are riskier than "proven" technologies;

(ii) Information flow bottlenecks stemming from the newness of technologies or programs;

(iii) Research, development and demonstration inadequacies and imbalances in terms of where the R and D is carried out, to what needs it is oriented, and other associated impediments to this crucial process of technological diffusion;

(iv) Education and training inadequacies and imbalances in terms of where the education and training takes place, what is taught, to whom, etc.;

(v) Rural energy infrastructural system weakness by virtue of geographic dispersion and the lack of adequate financial, informational and educational institutions; and

(vi) Industrial sector weakness which makes it difficult to provide components or complete systems for the new energy technologies and to be flexible to expand or change products or processes to take advantage of new energy sources.

From this cross-cutting process of analysis and discussion there should emerge a synthesis which will be discussed by a Synthesis Group in mid February 81. From this, in turn, the elements of a Programme of Action could be identified and discussed at a Preparatory Committee meeting at the end of March.

WHAT CAN REALISTICALLY BE EXPECTED OF THE CONFERENCE

For various reasons it would seem very optimistic to expect all of the sources of energy which the Conference is mandated to examine to contribute more than 10-15% of total (minimal) energy requirements anticipated by the year 2000 and 25% by the year 2030 even if all of the institutional constraints were overcome. But to supply even these percentages would be a formidable challenge involving a tripling or quadrupling of alternate energy output. Nonetheless, this would seem to be a reasonable first goal.

The Conference, however, cannot project the possible or likely contribution of each of these sources since their application is conditional on very regional and time-specific factors, including anticipated projections of costs of oil, gas, coal, nuclear and other alternatives. It suffices for the Conference to try to lower the constraints so that each energy source can realize its fullest potential, whatever that may be. This would call for the Conference to bring forward actionable proposals regarding information and financial flows, research and development, education and training, etc.

Questions will still remain to be answered: where is the rest of the energy supply to come from? What can be done to accelerate the introduction and diffusion of these other sources which, presumably, are deemed to be socially and environmentally acceptable? What are the global energy-environmental relationships? This Conference is but the first step in a long process.●

TRIBUTE TO MR. WILLIAM FRANK

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. TRAXLER. Mr. Speaker, it gives me great pleasure to rise before this distinguished body today to call attention to the exemplary service and citizenship of World War I veteran William Frank of Bay City, Mich. I wish to join with his colleagues of Disabled American Veterans, Robert King, Jr. Chapter No. 9, fellow veterans, area residents, and friends in paying this much deserved tribute to William Frank.

Mr. Frank is among those who have walked the longest mile for this Nation's liberty and security. Since returning to civilian life he has earned the sincere gratitude and affection of all the members of his post and the community. Today, we recognize not only the longevity of his service, but also his dedication and duty to our community interests.

I am proud to offer Mr. William Frank my heartiest congratulations and commendation for his fine record of service. His dedication to our Nation should be emulated by all American citizens.●

NAZI WAR VICTIMS—CLAIMS AGAINST EAST GERMANY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. WEISS. Mr. Speaker, during the 94th Congress, under the leadership of our colleague, JONATHAN BINGHAM, we enacted legislation, Public Law 94-542, to provide for the settlement of claims against East Germany for the wrongful taking of property due to the racial and religious persecution by the Nazi regime before and during World War II.

Unfortunately, it subsequently became apparent that a large number of persons were unable to successfully make claims against the East German Government under Public Law 94-542 because of a decision which had been made by the East German Government in 1951.

Under Public Law 94-542, claims could be presented to the Commission by persons who were U.S. nationals at the time of the loss of the property. The German Government decreed the "time of loss" to be September 6, 1951, and the Foreign Claims Settlement Commission followed this 1951 date in its determinations. The problem arises, however, because many of the

Nazi war victims living in the United States were not yet U.S. citizens as of September 6, 1951, although most did become citizens by the time Public Law 94-542 was enacted, or by the time when the United States recognized the German Democratic Republic, 1974. Thus, the rights of these permanent, taxpaying U.S. residents who had fled the Nazi horrors were cut off because their citizenship had not yet been finalized.

All legal remedies for these people were also cut off by the East German Government because they were no longer residents of East Germany as of 1951. Thus, because of action by the East German Government, and language used in the enactment of Public Law 94-542, many of these claims have been either not submitted, or denied by the Commission.

To remedy this situation, I am proposing legislation which would allow the filing and consideration of claims against the East German Government by any person who was: First, a permanent U.S. resident as of September 6, 1951, the time of loss, who was waiting to become a U.S. citizen; and second, who, as of the date of the enactment of Public Law 94-542, had become a U.S. citizen. It would, of course, be necessary for the Commission, based upon this changed definition, to reopen the filing period for claims against the East German Government, for a short period. This is also provided for in the proposed legislation.

It should be emphasized that the U.S. Government does not pay these claims itself, and thus, this legislation would not burden the Federal Treasury.

Those of us now in Government can do little to restore the lives or well-being of those millions of people who suffered the outrages and inhumanities of the Nazi regime. We should, however, do what we can, in any small way, to remove the roadblocks to the compensation that may be due some of the victims. It is for these reasons that I urge you to join me in cosponsoring this legislation. A copy of the bill follows:

H.R. 2619

A bill to amend title VI of the International Claims Settlement Act of 1949 (relating to claims of nationals of the United States against the German Democratic Republic) to permit the determination of claims of persons who were aliens lawfully admitted for permanent residence in the United States as of the date of loss and by September 4, 1974, citizens of the United States

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

SECTION 1. This Act may be cited as the "International Claims Settlement Act Amendments of 1981".

SEC. 2. Section 601(1) of the International Claims Settlement Act of 1949 (22 U.S.C. 1644a(1)) is amended—

(1) in subparagraph (a) after "United States" by inserting "or who is an alien lawfully admitted for permanent residence in the United States and by September 4, 1974, a citizen of the United States";

(2) in subparagraph (b) by striking out "natural persons who are citizens of the United States" and inserting in lieu thereof "persons described in subparagraph (a)"; and

(3) by striking out the last sentence.

SEC. 3. Section 602 of the International Claims Settlement Act of 1949 (22 U.S.C. 1644b) is amended—

(1) in the first sentence after "claims by nationals of the United States" by inserting "who were ineligible to have their claims considered by the Commission prior to the enactment of the International Claims Settlement Act Amendments of 1981"; and

(2) in the second sentence by striking out "this title" and inserting in lieu thereof "the International Claims Settlement Act Amendments of 1981".

SEC. 4. Section 609 of the International Claims Settlement Act of 1949 (22 U.S.C. 1644i) is amended after "date for filing of" by inserting "those".

INCREASED FUNDS FOR RADIO FREE EUROPE AND RADIO LIBERTY

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ROTH. Mr. Speaker, I would like to express my wholehearted support for the President's decision to increase funding by \$4 million to Radio Free Europe and Radio Liberty, and I urge my colleagues to endorse this effort.

Now more than ever, we need to communicate to nations which lie in the path to Soviet expansion, as well as to those currently under Soviet domination, the advantages of freedom.

These efforts are of paramount importance to the continuing peace and stability of the free world. I applaud this new emphasis on carrying the message of freedom to those whose access to information is rigidly controlled.

I know that my colleagues will see the pressing necessity to use every peaceful means to curb the rising tide of Soviet hegemony. Radio Free Europe and Radio Liberty are effective avenues to this end.

A CHALLENGE FOR TOXICOLOGISTS

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. MARTIN of North Carolina. Mr. Speaker, many scientists have wondered at the political factors that have diverted a great part of cancer

research funds away from cancer research, to pay instead for animal testing. The results have been twofold: scares have been created about chemicals generally, even on evidence of very weak effects; and less research attention has been possible for solving the riddles of toxicological effects within animal cells. Testing is not research.

In a recent statement, printed in the March 2, 1981, edition of Chemical and Engineering News, Dr. Joshua Lederberg, a geneticist, Nobel Laureate, and president of Rockefeller University issued a challenge for toxicologists. It is a challenge to science in general, and to Congress as we contemplate science policy.

Dr. Lederberg's comments should be studied for it serves as an important reference in our future considerations of risk-benefit assessment.

His statement was condensed in Chemical and Engineering News, from which this is taken:

A CHALLENGE FOR TOXICOLOGISTS

With all of the enormous expansion both in quality and in quantity—that is, in the variety and total material—of the chemical industry, I believe today that we're in a far healthier position than we were 30 years ago. Thirty years ago, there were fewer substances being emitted, but the abandon that they were being dealt with! You had workers walking knee deep in solvents and paying absolutely no attention to them. Since then, there has been a sharp increase in vigilance. With respect to a wide variety of substances, I am quite confident that the average exposure to many of these chemicals is down by a factor of 100 or 1000 compared to what it was in the early 1950's, just on account of the awareness that has been generated, the public sensitivities about these matters. There is no major industry today that does not now have a deeply ingrained environmental apparatus—procedures, bureaucracy, and doctrine—with respect to control of environmental problems. This is an enormous advance over what was the case 30 years ago.

We have at this point, of course, the responsibility to work out procedures that will provide for appropriate surveillance of new substances, for prevention of human exposure where it really is of some consequence. This in turn presents an enormous challenge to scientific enterprise; it is just beginning to be met.

If there is any message that I would like to see conveyed it is the gross inadequacy of our present knowledge base to face properly the enormous environmental challenge that we have at the present time.

I think the testing of substances could be greatly improved, improved above all by better understanding of the mechanisms by which these substances work. Right now there is almost no rationale for deciding whether the mouse, the rat, the rabbit, the guinea pig, or the monkey is going to be the better model for effects on human behavior. In fact, very few substances have been tested using more than one species in order to build up a body of theory to project in what way the human is likely to be more or less like other animals.

For that reason I have felt particular priority should be to that discipline that

hardly exists today. Which I would call comparative toxicology. When it comes to toxic substances the prevailing doctrine is to find the most sensitive animal and if you can get a toxic effect, there is potential hazard in man. Therefore, under most circumstances, you need to abolish the substance if you can produce cancer in that animal. Well, I can't argue against that in any affirmative way, with the present state of our knowledge, but it is obviously fraught with all kinds of difficulties and false positives. It is being excessively rigorous in a few cases when there are 10,000 other things that haven't been looked at yet.

First of all, understand that the one or two or three hundred millions of dollars a year that we're now spending on routine animal tests are almost all worthless from the point of view of standard-setting. It may be appropriate for setting alarms.

I would think the most immediate solution is to redeploy some of our resources. The resources are not only money, there is the time and effort. The whole quality of the field of toxicology has been so drowned by the requirement to do these kinds of tests that that, in itself, had made it a less respectable discipline from the point of view of more fundamental biological interests.

The point I am trying to come down to is that it is simply not possible with all the animals in the world to go through new chemicals in the blind way that we have at the present time, and reach credible conclusions about the hazards to human health. We are at an impasse. It is one that has deep scientific roots, and we had better do something about it. ●

RED BAITING: NO ANSWER FOR EL SALVADOR

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. OBERSTAR. Mr. Speaker, those of us who oppose military aid to the Government of El Salvador have heard the charge that we are helping the leftists take control of that country. The charge is just plain absurd. I find it difficult to imagine that anyone actually believes that those who oppose U.S. involvement in El Salvador want to see a Communist victory there.

I do want to see moderate, democratic elements strengthened in El Salvador. Sending military aid does not accomplish that goal, nor does it address the history of oppression and poverty of the overwhelming majority of the population of El Salvador. As former Senator Aiken, Republican of Vermont, once said, "No people were ever starved into democracy."

Military aid to El Salvador places the United States in the position, in the words of former Ambassador White, of arming some of the world's most dangerous men, the El Salvadoran security forces who last year killed thousands of their fellow citizens.

The United States cannot afford to let its foreign policy be determined by

red baiting, and by the self-serving statements of those who seek to portray political opponents as "soft on communism."

I believe any thinking individual would agree that the Roman Catholic Church is not pro-Communist, either in El Salvador or the Soviet Union. The church in Latin America is a crusader for social and economic justice and, consequently, has suffered the persecution of governments which oppress their own people.

On March 5, Archbishop James Hickey, of Washington, D.C., testified before the House Foreign Affairs Committee on behalf of the United States Catholic Conference. Archbishop Hickey's testimony outlines the basis for a responsible American policy toward El Salvador. He speaks with knowledge and a deep commitment to the people of El Salvador. From Archbishop Hickey comes one of the best examples of commonsense foreign policy that I have read during the entire debate on El Salvador.

I urge my colleagues to read his testimony, which appeared in Mr. EDGAR's statement in the RECORD of March 17, 1981, page 4605.

INTRODUCTION OF COAL INCENTIVES ACT OF 1981

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. SHELBY. Mr. Speaker, Congressmen TOM CORCORAN, KENT HANCE, and CLEVE BENEDICT are joining me today in introducing the Coal Incentives Act of 1980, a bill which would encourage the production and use of domestic coal.

The United States needs to reduce its dependence on imported oil by maximizing the utilization of our domestic resources. Our most abundant domestic source of energy is coal, which constitutes over 80 percent of our fossil fuel energy reserve, yet supplies only 18 percent of our energy needs. In many States, coal miners are unemployed.

In our attempt to deal with the energy problem, we have established numerous schemes to restrain demand, encourage alternative sources of energy, and compel people to switch to abundant fuels. What we have failed to address is the restraint on our ability to utilize coal. One of the major problems in converting to coal is the 1977 amendments to the Clean Air Act. The Clean Air Act should be an important tool in assuring a healthy environment while allowing sustained economic growth and increased use of domestic energy resources. However, in many areas of the country, the 1977 amendments to that act have made it

impossible to utilize coal, and in other areas, the 1977 amendments have pushed the cost of using coal to a point where there is virtually no difference between the cost of imported oil and the cost of domestic coal. Thus, industry lacks the economic incentive necessary to convert.

The public health goals of the Clean Air Act are laudable. However, in evaluating the benefits of environmental regulation, we must be aware of their impacts on other areas of national concern. Our reliance on imported energy is a major national security problem which can no longer be ignored. We cannot continue to enact and implement overly restrictive environmental legislation in a vacuum and ignore the energy, economic, and national security implications of what we do.

The bill we are introducing today is designed to balance our energy and environmental objectives. Title I of the bill modifies some of the most restrictive features of the amendments to the Clean Air Act enacted in 1977, features which effectively eliminate coal as a source of energy independence. The bill is intended to strike a balance between the desire for a healthy environment and the need for energy independence without either of these goals precluding our attaining the other.

Among other things, the bill requires cost/benefit analyses, including the energy impact of air quality standards. If a major stationary source satisfies all applicable standards, it would not be subject to more stringent limitations for a 10-year period. The bill would also moderate the standards for local coal exemptions under section 110(f). Sources which voluntarily convert to coal would be given additional time to meet air quality standards.

Title II of the bill provides tax incentives for pollution control equipment, which are necessary to encourage the utilization of coal. The energy tax credits enacted as part of the Energy Tax Act of 1978 and the Crude Oil Windfall Profits Tax of 1980 are generally not applicable to public utility property. The bill would apply these credits to public utility property such as equipment necessary to permit the use of coal in electric generating facilities. The current restriction on energy tax credits for coal preparation plants, which limits the credit solely to plants at the point of use, would be deleted.

Mr. Speaker, Congressmen TOM CORCORAN, KENT HANCE, CLEVE BENEDICT, and I believe that the Coal Incentives Act of 1980 represents a significant step in the direction of encouraging the production and utilization of domestic coal in an environmentally acceptable way. We simply must put this

valuable resource to work for the benefit of all Americans.●

THE FARMER GRAIN PROTECTION ACT

HON. THOMAS E. COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. COLEMAN. Mr. Speaker, today I am introducing legislation to protect farmers from an extremely unjust situation—that of having grain stored in commercial grain elevators impounded by the courts when those elevators file bankruptcy. This occurred recently in southwest Missouri, and a Missouri farmer who rightfully owned about 30,000 bushels of soybeans was forced to defy Federal marshals to retrieve his grain. This farmer simply could not wait for the intricacies of the law to be examined under our bankruptcy statutes. The courts could not stay Mother Nature. The farmer had to sell those soybeans and pay off his loan at the local bank so he could buy seed and meet his other production costs to plant the next crop. We are not talking about a situation that can be relaxed while lawyers on both sides of the issue decide what to do with the grain, the assets and the creditors of the bankrupt elevator. We are talking about spring planting time—in the Midwest, it is that window of a few weeks when seeds must get into the ground. The time factor for a farmer is critical; the situation in southeast Missouri is not an unusual or isolated case. These bankruptcies occur numerous times during a year, and the Congress must correct it soon.

We cannot afford to have American farmers idled through no fault of their own by a grain elevator company which is either poorly managed or perhaps even undergoing criminal investigations.

My bill—the Farmer Grain Protection Act—would amend the bankruptcy law to allow farmers easy access to their grain when they can produce proof of ownership, at the time of a company's filing bankruptcy. Essentially, this is an insurance policy for farmers who must store their grain off the farm.

In this time when many farmers are hard pressed to keep up with rising production costs and high interest rates, the Congress must take steps to ease other burdens farmers may be forced to carry. Times are not good throughout our economy and situations like the one we have been witnessing in southeast Missouri could very well be only the first of many to come.

It is my hope that the Congress will act quickly on this legislation and will act to alleviate this unreasonable pro-

EXTENSIONS OF REMARKS

cess of the bankruptcy laws as it pertains to grain stored under custodial contract. Thank you, Mr. Speaker.●

SETTLEMENT OF CLAIMS WITH CZECHOSLOVAKIA

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BINGHAM. Mr. Speaker, with my colleagues, Messrs. BONKER and LAGOMARSINO, I am today introducing legislation that would finally settle our long-standing dispute with the Government of Czechoslovakia over private property claims. Under this legislation, U.S. claimants would be paid in full for validated losses of property expropriated by the current regime in Czechoslovakia. That payment would be made from interest on funds that would be realized from the sale of gold belonging to Czechoslovakia. The principal amount received for the gold would be returned to Czechoslovakia after payment of claims from the accrued interest.

This problem, Mr. Speaker, has a long and rather sad history. Twice in the past 20 years the Government of Czechoslovakia and the Government of the United States have entered into good-faith negotiations to settle these claims, and twice our Government has initiated settlement agreements, only to have implementation of those agreements blocked by the Congress. In the meantime, of course, the claimants have received nothing. Many are now quite elderly, and in need of the claims payments due them.

The history of this dispute and the negotiations that have taken place, however, have been dramatically eclipsed by recent events. The sharp increase in the price of gold in 1978-79 has fundamentally changed the parameters of the dispute. Prior to those increases, the value of the Czech gold in our possession was only about \$8.4 million, or 8 percent of the total amount of the claims—\$105 million, principal and interest. When the price of gold peaked some months ago at about \$950 per ounce, the value of that gold had ballooned to \$268 million, more than twice the amount of the claims. Even at today's price of about \$475 per ounce, its value is \$134 million, well in excess of the claims. It would be foolhardy and unfair of the U.S. Government to ignore this change, or to fail to have it reflected in what we consider a reasonable and equitable settlement for our citizens.

A settlement of about 40 cents on the dollar of the principal amount of the claims, although rejected by the Congress, was perhaps not totally unreasonable at a time when we controlled Czech gold assets valued at

only about \$8 million. But at a time when we have assets worth well in excess of the claims, a mere 40 cents on the dollar could hardly be considered equitable. True, our settlements with other countries, including the most recent one with the Chinese, have averaged about 40 percent of the principal amount of the claims. But in no other settlement have we controlled assets in excess of the total amount of claims as we now do in the case of Czechoslovakia. Whatever the relative amount of our past settlements, they have always closely reflected the absolute amount of any assets we held. In the case of Czechoslovakia, the notion that a reasonable and equitable settlement from our point of view should reflect, among other things, the value of the assets under our control suggests that we can settle for nothing less than full payment of principal and interest. Even having done so, Czechoslovakia stands to get back a substantial sum in gold or cash—more, certainly, than the gold was worth prior to its recent appreciation, and depending upon what happens to the price of gold in the coming months, more even perhaps than it will be paying out to American claimants. That is all the more reason, however, that we should and must insist upon full payment of our claimants.

Mr. Speaker, this bill provides for a unilateral action by the United States to pay the claimants, but it does not preclude a negotiated settlement. Indeed the bill directs the Secretary of State to continue to seek such a mutually acceptable settlement, and a period of 3 months is provided for such further negotiation before any unilateral action by the United States would be authorized.

Much has been said, Mr. Speaker, about the right of the United States under an agreement to which we are a party with France and Great Britain, and under the principles of international law generally, to liquidate the Czech gold in our possession for purposes of payment of claims, as authorized by this bill. I was once quite skeptical about that myself. I will not try to review all the legal arguments here. They are elaborate and complicated. Suffice to say that the Subcommittee on International Economic Policy and Trade, which I have the honor to chair, and the Subcommittee on Europe and the Middle East, chaired by our colleague from Indiana (Mr. HAMILTON) examined both the legal and practical questions associated with this issue in considerable detail in hearings last year. We concluded at that time, and it is still my conclusion, that the argument made by the State Department that we are obligated to obtain the concurrence of the British and French in any action we take, and that we are thus constrained by our

agreement with those countries from unilaterally liquidating the gold and paying claims, is tenuous at best. Equally compelling legal arguments can be made in favor of our right to unilateral action. Given such parity in the legal arguments, I believe we can and must take the course that delivers the greater equity to our claimants.

I am not without hope, Mr. Speaker, that even in the short time that would be allowed after the enactment of this bill the Czech Government might come to find it in its own interest to enter into an agreement that would fully reimburse American claimants, rendering this legislation unnecessary. Such an agreement would have to be approved by the Congress under section 408 of the Trade Act of 1974. In light of the delays that have occurred and the advanced age of many of the claimants, such agreement would hopefully come soon, for justice much longer delayed will be justice denied these claimants.

Another feature of this legislation, Mr. Speaker, is that it would allow for the consideration of claims of persons who became citizens of the United States after 1945, or whose claims arose after 1958. To adjudicate those claims, the Foreign Claims Settlement Commission would be authorized to reopen the Czech claims program. This legislation would authorize payment of any such claims certified by the Commission.●

CORA P. BEEBE

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. PURSELL. Mr. Speaker, I would like to take a moment to pay a special tribute to a University of Michigan alumnus, Ms. Cora P. Beebe, who has been appointed the Assistant Secretary for Administration in the Department of the Treasury. Ms. Beebe is well known to those of us on the Labor, Health and Human Services, and Education Appropriations Subcommittee for her outstanding contributions to education. As the Director of the Division of Planning and Budgeting in the Office of Education, she was always an excellent witness before our subcommittee, and we valued greatly her expertise concerning Federal education programs. Education's loss is Treasury's gain, and I am sure I speak for all members of the subcommittee in honoring Ms. Beebe and wishing her success in her new position.●

ILLCIT DRUG TRAFFIC

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. SHAW. Mr. Speaker, the first bill that I have introduced in the 97th Congress deals with an issue that I feel deserves immediate attention—the illicit drug traffic in the United States. We must combat the epidemic proportion of drugs pouring through our borders with the most effective defense. To impose high penalties on those involved in the distribution is a fine idea; however, it treats the symptom and not the disease. H.R. 2420 goes right to the source and diminishes the availability of these drugs to our country. This legislation will once again enable countries to use foreign assistance money for the spraying of a herbicide to eradicate marihuana.

To understand this issue, it is necessary to examine its history. Mexico was the first country to use paraquat to combat its large problem with heroin crops. Because of the success of the program, the Mexican Government began to use paraquat on what they considered to be their No. 1 drug abuse problem—marihuana. Due to the fact that 85 percent of the marihuana entering the United States at that time was grown in Mexico, the then Department of Health, Education, and Welfare (now called Health and Human Services—HHS) under Secretary Joseph Califano, created a computer-simulation model of the impact of paraquat treated marihuana on the health of approximately 50 to 100 persons in the southwest region of the United States, who were predictably at risk of suffering irreversible lung damage. A report was released in March 1978, stating:

*** that marihuana contaminated with the herbicide paraquat could lead to permanent lung damage for regular and heavy users of marihuana and conceivably for other users as well ***

The National Institute on Drug Abuse released a report and a health warning stating that:

*** if a person smokes 5 marihuana cigarettes every day for one year, each cigarette containing 500 ppm of paraquat, permanent lung fibrosis would develop ***

Both of these studies were based on worst case situations. The U.S. Department of Agriculture (USDA) furnished a technical review of the HHS data. The review stated that the USDA scientists reviewed the exposure data and noted that the projection of 50 to 100 marihuana smokers, estimated to be exposed each year to 500 micrograms or more of unaltered paraquat in marihuana smoke, is a worst-case estimate which was arrived at after several computer-simulation assessments were

made. Some assumptions utilized in the assessment do not appear valid.

According to the report of the Select Committee on Narcotics Abuse and Control regarding the use of paraquat, HHS made these assumptions:

First, that all of the smoke from a marihuana cigarette is inhaled by the smoker.

Second, that all of the smoke from the cigarette is retained by the smoker.

Third, that all of the unaltered paraquat in the smoke from the marihuana cigarette is available to the lung.

Based on the findings of the HHS simulation model, the International Security Assistance Act was amended stating that its funds may not be made available for the purpose of spraying herbicides to eradicate marihuana plants if the use of that herbicide is likely to cause harm to the health of persons who may use the marihuana.

Based on the information released as a result of these reports, many feel there is sufficient reason to question their findings in relation to paraquat usage. For example, at this time, not one case of herbicide poisoning has been reported. In addition, the United Nations Narcotics Laboratory study of 1978 does not support the notion that paraquat is harmful to one's health.

Since the validity of the HHS findings are being questioned, the issue of health safety was taken into consideration when drafting my bill. As insurance, my bill will direct the Secretary of HHS to monitor and report to the Congress the impact of the paraquat program on the health of those who come into contact with treated marihuana.

The effectiveness of this type of program escapes question. The United Nations Fund for Drug Abuse and Control, along with other drug enforcement officials agree that spraying is the only measure assuring success. The Mexican Government's program is a shining success. The Mexicans can boast a smaller field size, a drastic dropoff of the crop and the shift in position from a primary to a secondary supplier of marihuana to the United States, as a result of the program. In addition, paraquat is environmentally safer, less toxic, and has a shorter knockdown time—the amount of time it takes to kill the plant—than any other herbicide.

After carefully reviewing the HHS report, studying all of the remarks made by drug abuse and control specialists, and studying the effectiveness of such a program, I conclude that H.R. 2420 deserves immediate attention and consideration. The result will be an effective program to combat drug traffic into our country while monitoring the health of our citizens and will enable the United States to

aid other countries who wish to participate in the program. ●

DECONTROL TO COST OHIO AS MUCH AS \$29.6 BILLION

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ECKART. Mr. Speaker, I recently received a copy of a report released by the Energy Action Coalition which concerns the probable economic effects of the decontrol of natural gas prices on the Northeastern industrial region of our country. I offer it for submission into the CONGRESSIONAL RECORD and strongly recommend its study by my colleagues.

Immediate decontrol will cost Ohioans between \$17.5 billion and \$29.6 billion more than current costs over the next 5 years. Furthermore, those same energy costs will have serious indirect effects on food prices, industrial growth, and new home construction. Certainly, these difficulties will translate into even greater national problems.

One final statistic for my colleagues to ponder. Immediate natural gas decontrol will cost Ohio consumers each between \$994 and \$1,408 per year just to have their heating fuel pumped from beneath ground level to the wellhead. Thank you.

The material referred to follows:

DECONTROL TO COST OHIO AS MUCH AS \$29.6 BILLION

WASHINGTON.—According to a study released today by the Energy Action Educational Foundation, "the decontrol of natural gas prices will cost Ohio between \$17.5 billion and \$29.6 billion more than continued controls between now and 1985."

Comparing the cost of continued controls to two decontrol alternatives (accelerated and immediate decontrol), Energy Action found that the state's industrial users would incur increased gas costs ranging from \$6.5 billion to \$11.0 billion over the five year period. Residential users would have to pay between \$7.6 billion and \$12.9 billion over the same period. "This works out," said Energy Action director Edwin Rothschild, "to between \$994 and \$1,408 per year for the average residential user for just the cost of gas at the wellhead."

In addition, the study found that commercial users in the state would have to pay between \$3.1 billion and \$5.2 billion more for their gas from 1981 through 1985.

"The effect of higher natural gas prices resulting from decontrol," said Rothschild, "will not only be felt directly by consumers in the form of higher utility bills, but indirectly in the form of higher prices for food, clothing, housing, automobiles, medicine and other necessities of life. This is so because the industries which manufacture these products will pass through the increased cost of gas."

"Decontrol," the study said, "will drain between \$35.9 billion and \$25.4 billion out of the state's economy and direct it to the major oil companies, producing states and

EXTENSIONS OF REMARKS

foreign governments. As a result the state's economy will face a reduced industrial base supporting fewer jobs, increased inflation and an increased tax burden for all taxpayers due to the reduced tax base." ●

MICHIGAN BEANS GET EXPRESS TRAIN SERVICE TO MEXICO

HON. DONALD JOSEPH ALBOSTA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ALBOSTA. Mr. Speaker, last year during the debate on the Staggers Act, which substantially deregulated the railroads, many of us expressed our concern about the effect deregulation might have on agricultural shippers and short-line railroads. Today, I am happy to report an early success story from my own district in Michigan which shows that railroads can work with shippers of farm products and with smaller railroads to the mutual benefit of all. Through innovative marketing, the Chessie System, which serves Saginaw, Mich., was able last year to arrange for large shipments in unit trains of a basic food staple to Mexico. This resulted in the opening of a new market for the farmers of Michigan and also relied on the close cooperation of a major rail carrier, the Chessie System, and a number of Michigan short-lines—the Ann Arbor, the Detroit and Mackinac Railroad and the Tuscolo and Saginaw Bay railroads. The Chessie System is to be commended for its imaginative use of the new freedom given to railroads by the Staggers Act.

Last fall the Chessie System began the first of 17 shipments from Saginaw of unit trains full of pinto and black turtle beans grown in Michigan and destined for Mexico. These types of beans are the main staple of the Mexican people's diet and were shipped during the fall months to Mexico because of the severe drought that occurred in that country and, as a consequence, there resulted a critical shortage of these staple food products.

Full credit should be paid to the Chessie System for coordinating these movements. The cargoes of Michigan-grown beans were collected from over 25 separate points on the Chessie System as well as from elevators on the Ann Arbor, the Detroit & Mackinac Railroad and the Tuscolo and Saginaw Bay Railways. These rail lines are in the heart of the rich bean-producing areas of Michigan. The trains that carried these movements averaged approximately 70 cars per train and moved approximately 112,000 metric tons during the months of September through January.

As most of my colleagues know, last year the ICC, in an effort to give the railroad industry more flexibility, deregulated agriculture commodities.

The transportation package which was developed by Chessie to make these successful shipments possible incorporated this new approach to rail service. The flexibility permitted by the removal of regulation allowed savings to shippers in transportation costs based on incentive rates and tonnages shipped. These rail shipments effectively utilized the three short-line railroad carriers operating in central Michigan as gathering lines for the unit-train movements. All cars on each train were handled by a single customs house broker at the Mexican border. Permits from connecting southwestern rail carriers were obtained in advance, thus enabling the unit trains from Michigan to enter Mexico without the normal delays.

Again, this whole successful effort was put together primarily because of the excellent cooperation of the Michigan bean shippers, the Chessie System Railroads and the various participating Michigan short-line carriers and offers good evidence that the relaxation of Government controls can in certain cases work to the advantage of agriculture producers, the railroad industry and ultimate consumers.

I would like to commend to the attention of my colleagues the recent article in the winter 1981 issue of Michigan Dry Bean Digest which outlines the success of this program.

[From the Michigan Dry Bean Digest, Winter, 1981]

MICHIGAN BEANS GET EXPRESS TRAIN SERVICE TO MEXICO

(By Howard Robinson)

SAGINAW, MICH.—The State of Michigan's first opportunity to produce Pinto and Black Turtle Beans to cover major contracts with the Mexican Government occurred in 1980 and results have been proclaimed a big success by Michigan farmers and shippers and Mexican consumers.

This was in spite of unfavorable fall weather in Michigan and a decision by the Interstate Commerce Commission to deregulate these food products.

Some 14 inches of rain drenched the bean growing areas of the State of Michigan during the planting/growing/harvesting season between June 1 and October 5. In spite of this abnormal rainfall, Michigan's farmers managed to harvest sufficient tonnage to meet Mexican contract minimums.

The ICC's action, to include dried beans as one of a number of commodities to be exempted from its regulation, was an effort on the part of the agency to give the railroad industry a greater opportunity to compete on equal grounds with other transportation modes.

Of major concern to the Dried Bean Industry was that existing tariff rates published at the time contracts were negotiated were no longer applicable. With this exemption, railroads were then free to increase rates without intervention by the ICC, and transportation costs could be raised substantially above the level provided for in the contracts.

Substantially increased rates did not occur. Instead, a transportation package was created by Chessie marketing specialists

who incorporated a new approach to providing rail service.

The final package, which was worked out in a meeting of contract holders and Chessie, using the flexibility permitted by removal of regulation, provided savings to Michigan's shippers in transportation costs based on volume incentive rates.

One shipping industry observer, commenting on the package, said, "To suggest that solving the problems of getting tonnage into the elevators for bagging and shipping, and negotiating a satisfactory transportation price package was taking care of the tip of the iceberg may be an overstatement."

Many problems still faced the bean shipping industry before its product reached Mexican receivers. A.N.V., Wickes Agriculture, and Michigan Elevator Exchange, the principal Michigan contract holders, were faced with the problem of securing suitable box cars in large numbers. They also had to arrange for permits to move each car through embargoed Texas/Mexico river boundary crossings where upwards of 7,000 carloads of traffic were already lined up waiting to cross. To accomplish these and many other necessary functions in time to have all committed tonnage in Mexico prior to a December 31 deadline, were just a few of the problems they faced.

While this article was written a few weeks before shipping was completed, shippers have no doubt that the terms of each contract involving Michigan's Pinto and Black Turtle Beans will be met, and that all tonnage will be in Mexico by December 31. Basis for this confidence was the creation of a Run-Through train system which was designed to solve many of the contract holders problems of getting its production to market expeditiously.

Implementation of this program by Chessie System marketing specialists was not a "one-man" job, and could only be accomplished with excellent cooperation of such shipper organizations as Valley Marketing, Northern States Bean, Agri Sales, Wickes Agriculture, Michigan Elevator Exchange, and other rail carriers. The others who cooperated in the venture included a number of Michigan railroads—the Tuscola & Saginaw Bay, the Ann Arbor, the Detroit and Mackinac, and the Michigan Northern, which all agreed to participate.

The Chessie marketing/shipping program worked this way:

First, it was decided to collect cars originating on the C&O and participating lines each week and originate a train every Sunday at Chessie's Saginaw Yard. Next, a schedule of alternate routings to be used was drawn up so that permits could be secured well in advance of shipping dates. Carrier Agreements were written and signed with other origin carriers making it possible to include cars from elevators on their lines in Chessie's weekly trains. This afforded shippers the benefits of Run-Through service, the same as would be provided for shippers served by C&O, and would eliminate the need for their shippers to secure individual permits.

Cars from the TSBY were interchanged to the C&O at Vassar, Michigan, from the D&M at Bay City, from the Ann Arbor at Alma, and from the Michigan Northern at Reed City, Michigan, on previously agreed-upon schedules and moved to Chessie's Saginaw Yard for inclusion in that week's Sunday train.

Once the schedule of weekly routings was agreed upon by shippers, Carrier Agreements were signed with railroads participat-

ing in the routes beyond Chessie's gateways of Chicago and St. Louis.

These carriers included the A.T.S.F., Southern Pacific and Missouri Pacific, which were contacted by Chessie and asked to supply permits for entire trains instead of individual cars.

These carriers were extremely cooperative in providing permits for each train, and in moving the blocks of cars intact from their interchanges with Chessie at either Chicago or St. Louis to the river crossing designated in the permit they supplied.

This 1980 version of "Express Train," freight service provided by Chessie and its connections from Saginaw to the border took as little as three and one half days to move a distance of more than 1,600 miles.

It was then determined that, if there were no more than two border crossing custom brokers, delays at the borders must be anticipated. To eliminate the possibility of such delays and expedite movements, Chessie approached the contract holders seeking their agreement to utilize the services of only one customs broker at each of the five Texas river crossings—at Presidio, Eagle Pass, El Paso, Laredo, and Brownsville.

The agreements were made. Each week contract holders were given by Chessie's Saginaw coordinator the permit number, the border crossing, the custom house broker, and the specific routing to be used for each train, all necessary information used by contract holders and shippers in treating identical documentation covering the cars moving in each train.

One other potential problem brought to the attention of Chessie personnel involved the distribution of cars after they crossed the border into Mexico.

Cars containing Black Turtle Beans were moved to Mexico City and distribution was coordinated from there. However, Pinto Bean carloads were moved directly to the consumption point, many of which were located short of Mexico City.

To assist Mexican officials in this distribution system Chessie System blocked Black Turtle and Pinto Bean cars prior to their departure from Saginaw Yard. When the trains departed, all Black Turtle cars were at one end of the train, and all Pinto cars were at the other.

Probably the item of greatest concern to Michigan's bean shippers was the railroad's ability to supply cars in numbers greater than would be normal.

The box cars supplied had to be in good condition, be able to handle 60 tons of lading and be available to shippers when requested in order that elevators would be kept in a fluid condition.

Chessie anticipated the weekly box-car needs and moved a continuous flow of cars toward Saginaw. Michigan's other origin carriers were similarly efficient in meeting car requirements.

Chessie representatives had an opportunity to detail the Michigan Bean Shipping Program to Mexican officials at a July meeting in the Mexican Embassy in Washington.

U.S.D.A. officials who were assisting Mexico with their transportation program also were in attendance. Manuel Bravo, of Conasupo, Mexico's food purchasing agency, stressed the urgency of moving this tonnage as rapidly as possible and was most appreciative of the joint shipper/railroad efforts which made Run-Through service from Michigan possible.

As a result of this meeting Chessie arranged to send Conasupo's Mexico office

each Monday morning by teletype a full consist of all cars on each train, and agreed to call the Mexican Embassy in Washington each Monday with details of cars and tonnages.

Shipping experts agree to the success of this undertaking as proof that if U.S. shippers and railroads work together, solutions to transportation problems can be found, and opportunities can be used to the mutual advantage of both, whether commodities are exempt or not.

It is expected that 1980's successful joint effort will give the State of Michigan the inside track if Mexico decides to place orders for Pintos and Black Turtles in 1981.●

IN HONOR OF THE NEW ROCHELLE HIGH SCHOOL HUGUENOTS FOOTBALL TEAM BEING NAMED THE NO. 1 FOOTBALL TEAM IN THE STATE OF NEW YORK

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. OTTINGER. Mr. Speaker, I would like to bring to the attention of my colleagues that the New Rochelle Chamber of Commerce and the city of New Rochelle recently saluted the New Rochelle High School Huguenots football team for their accomplishments during the 1980 football season.

I would like to extend congratulations to the New Rochelle High School Huguenots for achieving the distinction of being named New York State's No. 1 football team by the New York State Sports Writers Association, and to their coach, Mr. Harold Crocker, for being named the No. 1 high school football coach.

This is the second time in 4 years that the Huguenots have been so honored. Their continued accomplishments bring distinction to their school and community.●

BIAGGI PRAISES PRESIDENT REAGAN'S ST. PATRICK'S DAY MESSAGE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BIAGGI. Mr. Speaker, as chairman of the 121-member bipartisan Ad Hoc Congressional Committee for Irish Affairs, I wish to call to the attention of my colleagues the fine St. Patrick's Day statement of President Ronald Reagan.

It has long been the contention of the ad hoc committee that the United States can and should play a positive role in advancing the cause of peace and freedom in Ireland. We on the ad hoc committee share the President's

deep concern and opposition to violence and feel it impedes the path of peace.

Along with my colleague, HAMILTON FISH, I have sent a telegram to the President seeking a meeting with the ad hoc committee so we might engage in a dialog on future directions of U.S. policy on Northern Ireland.

The full text of the President's statement as issued from the White House Press Office on March 17 follows:

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
March 17, 1981.

STATEMENT BY THE PRESIDENT

St. Patrick's Day is not only the feast day of a great man of God, it is a symbol of the commitment of the Irish people to freedom, to justice and to the values upon which western civilization is built.

We in the United States know the great contribution made by citizens of Irish ancestry. From our Revolution to the present day, Irish-Americans have been at the forefront of the defense of freedom. By their labor and by their sacrifices, they have been a major force in building our Nation.

It is therefore gratifying on this St. Patrick's Day to be able to pay tribute to the great role Ireland and the Irish have played in defending and renewing the values we cherish.

But we are also conscious of the violence, bloodshed and despair which now haunt all the people of Northern Ireland. This tragedy cannot go unnoticed by the United States which owes so much and has such close ties to the Irish.

As an American proud of his Irish ancestry and as President, I recognize the vital importance to our Nation and the western alliance of a peaceful, just and swift solution to current problems in Northern Ireland.

The United States will continue to urge the parties to come together for a just and peaceful solution. I pray and hope that the day will come when the tragedy of history which now afflicts Northern Ireland will be overcome by faith, the courage and the love of freedom and justice of the Irish.

We will continue to condemn all acts of terrorism and violence, for these cannot solve Northern Ireland's problems. I call on all Americans to question closely any appeal for financial or other aid from groups involved in this conflict to ensure that contributions do not end up in the hands of those who perpetuate violence, either directly or indirectly.

I add my personal prayers and the good office of the United States to those Irish—and indeed to all world citizens—who wish fervently for peace and victory over those who sow fear and terror.●

MORATORIUM ON THE KILLING
OF WHALES

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BONKER. Mr. Speaker, I am today submitting for myself and Representative JONES of North Carolina a resolution calling for an indefinite

moratorium of the commercial killing of whales and otherwise expressing the sense of the Congress with respect to conserving and protecting the world's whale populations.

Since December 1971, when the United States banned all whaling for commercial purposes by U.S. nationals, our Government's policy has been to seek a worldwide ban on the commercial exploitation of whales. As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, which oversees U.S. participation in the International Whaling Commission—IWC—and as a congressional adviser on the U.S. delegations to the previous two IWC meetings, I have actively supported our attempts to secure the IWC's adoption of an indefinite moratorium on commercial whaling. This resolution reaffirms our commitment to this goal and endorses other proposals that have been made in the IWC to enhance protection of the world's endangered whale populations.

Other proposals that would make a substantial contribution to the conservation of whales include: strengthening the IWC's management procedures through expanded scientific research participation by all IWC members in the Commission's International Observer Scheme and improved enforcement of quotas and other regulations, and extending the ban on the use of the cold—nonexplosive—harpoon to include minke whales.

The resolution urges the IWC to continue to collect and study information on the important question of aboriginal/subsistence whaling, and reaffirms the U.S. position that the IWC has the authority to regulate the take of narwhal and beluga whales. Finally, the resolution calls upon the United States to make the fullest use of diplomatic channels and all other available means in promoting these objectives. We would hope that our country's representations on these matters are made at the highest diplomatic levels and that certification procedures under the Pell and Packwood-Magnuson amendments are undertaken in cases of violations.

Mr. Speaker, the continued commercial slaughter of whales by a handful of nations is indefensible. The whale harvest is one of the most inhumane hunts in the world, particularly when the cold harpoon is used. On economic grounds, not only are the whaling industries of Japan and the Soviet Union, which account for nearly three-quarters of the world's commercial whale catch, heavily dependent upon government subsidies, but natural and synthetic substitutes exist for all whale products, including sperm whale oil. In Japan, actual consumption of whale meat amounts to less than 1 percent of total annual protein consumption.

The International Whaling Commission's decision at its 32d annual meeting in 1980 to allow a total commercial take of 13,851 whales in the 1980-81 season is a far cry from the U.S. goal of bringing an end to commercial whaling. I encourage my colleagues to join with me and Representative JONES in cosponsoring this resolution.●

LEGAL SERVICES CORPORATION—A PROGRAM WORTH SAVING

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BROWN of California. Mr. Speaker, I would like to call to the attention of my colleagues two editorials that appeared recently in support of the Legal Services Corporation.

The Reagan administration has proposed to eliminate funding of the Legal Services Corporation and to consolidate this program in the block grant activities of the States. As this proposal would have the effect of emasculating this program, I urge my colleagues to support its continued funding.

The Legal Services Corporation is not a single bureaucratic agency, but rather is the hub of a network of legal aid offices and backup centers. It is probably one of the most efficiently run agencies the Government funds with only 2 percent of its budget going to administrative overhead. It would be impossible to find another federally funded program that has a more dedicated and effective staff whose average income is less than \$16,000.

The problem with the Legal Services Corporation is not that it is ineffective but rather that it is too effective in representing the rights of the poor and disenfranchised. Much of the current law protecting tenants' rights, worker safety, voting rights, and other areas of the law, has been the result of the efforts of LSC attorneys.

The administration suggests that increased pro bono work by the legal community will fill the void left by LSC. I find this hard to believe. The combined efforts of LSC and the present pro bono activity meets only 10 percent of the existing legal needs of the poor. The legal community recognizes the need for LSC. The ABA and innumerable bar associations and other legal organizations have endorsed continued support for the Legal Services Corporation.

I urge my colleagues to continue their support for this program.

[From the Washington Star, Mar. 9, 1981]

LEGAL SERVICES: GOVERNMENT AT ITS BEST

(By Edward W. Brooke)

The president and the Congress, in their rush to reduce federal spending, risk terminating one of the most successful public efforts for the poor—the civil legal services program.

As a U.S. senator, I represented hundreds of thousands of poor people, primarily in Massachusetts but elsewhere across the nation, too, who got legal help through the program. I also served on the Appropriations Committee that annually reviewed and approved funding for the national Legal Services Corporation, which is the congressionally created private nonprofit organization that funds over 300 local Legal Services programs in every part of the country.

The civil legal services program has had a profound and lasting effect on the lives of the poor. Operating through no-frills neighborhood offices, talented, committed and grossly underpaid attorneys and paralegals give poor individuals and families a chance to use, and occasionally to alter, our legal system.

The results are dramatic. In Massachusetts, for example, the elderly poor, people with serious illness, tenants whose landlords don't pay bills have been protected against arbitrary utility shutoffs this winter, because of Legal Services.

JOBS, HEALTHY CHILDREN

There are better job incentives for welfare mothers and more possibility for long-term stable employment, because of Legal Services. The chances of little children being poisoned by lead paint in their houses and apartments has greatly been reduced because of Legal Services.

Of all the programs the federal government now supports, Legal Services should be one that Ronald Reagan would rush to defend. It would be difficult to find another public effort that responds so effectively to the President's repeated concerns:

"Making government work for the people." No one in this country is more subject to government regulation than the poor. Their jobs, food, shelter and incomes are affected by daily decisions of local, state and federal bureaucrats and lawmakers. A major part of Legal Services' work is making that system responsive to their clients by cutting through red tape and minimizing interference in their personal lives.

"Minimizing paperwork and eliminating unnecessary bureaucracy." The Legal Services Corporation is the model of administrative efficiency. Overhead costs are less than 3 percent of its total budget. Its application procedures are simple. It does not require a single page of paperwork from state or local officials. Money is appropriated by Congress and flows immediately and directly to those who provide legal services to the poor.

"Eliminating waste, fraud and abuse." Legal Services lawyers are law enforcement officers for the poor. They have repeatedly and successfully challenged mismanagement of public programs and bureaucratic violations of statutes designed to benefit and protect their clients.

"Local control." Legal Services is not run from Washington. Poverty lawyers work for private nonprofit organizations, with boards of directors composed of local attorneys, clients and other interested citizens. Program design, management, and priorities are locally determined. They vary significantly from one community to another, according to local needs and circumstances.

Legal Services is not a big money item and the real pressures on the president to "get Legal Services" are not budgetary. They are political. Our legal system is an adversarial one. It generates controversy. That seems particularly true when it is used effectively for the poor.

TAKING ON THE POWERFUL

The great bulk of Legal Services involves routine matters that never attract any interest beyond the parties immediately involved. However, poverty lawyers have taken on some of the most powerful private and public interests on behalf of their clients. They have successfully challenged unsafe labor practices of corporate agriculture on behalf of seasonal farm workers. They have put a stop to unfair credit practices that unjustly robbed the poor of their meager income. They have required warranties of habitability from slum landlords. And they have forced state and local officials to comply with federal law.

The aggressive representation of poor clients has created powerful political enemies. From the beginning, they have tried to undermine and destroy the program. They had their last best chance in the early '70s, when Howard Phillips was appointed to OEO to dismantle Legal Services. Those same opponents, mobilized through the National Committee to Defeat Legal Services, are intent on getting President Reagan to pick up their banner.

DISTINGUISHED SUPPORTERS

But Legal Services has influential friends as well. In spite of the rhetoric of some extremists this is not a program of some radical fringe. Much of the impetus for its creation in 1965 came from the American Bar Association and the leadership of distinguished Americans like Lewis Powell, now a Republican-appointed Supreme Court justice. It has always enjoyed bipartisan support in the Congress.

It is not insignificant that my views and those of the respected conservative commentator, James J. Kilpatrick, come together in support of Legal Services. It will not be often, I suspect, that our views on political issues so converge. There can be little room, however, for thoughtful conservatives, liberals and moderates to disagree on an issue so fundamental to a society based on law.

The final decision on Legal Services will have minimal budgetary consequences one way or the other. It will have a lasting human impact for the poor, and major consequences for the system of justice in this country.

[From the Washington Post, Mar. 10, 1981]

AN EQUAL CHANCE FOR JUSTICE

The trouble with the Legal Services Corporation is not, as the Reagan administration seems to believe, with what it does or who pays its bills. During the seven years of its existence, this organization has helped thousands of poor people assert their legal rights. But the help it has provided doesn't get to the real problem: the exorbitant cost of justice and legal services in a country that stakes so much on the idea that people must, and will, obey the law.

The system of justice now works like this. The rich—we use that term somewhat loosely—and the corporations are well served; they hire the very best lawyers and pay them fees that often can only be described as mind-boggling; their legal rights are fully and, usually, brilliantly protected. The poor, through the aid this corporation and other publicly funded groups provide, are reason-

ably well-served; they have at their command a corps of eager lawyers, most of them young, who want to make the country a fairer place in which to live. The citizens who fall in between—the low and moderate-income people—are served hardly at all; they cannot afford the best, they do not qualify for aid, and they generally make do with little or low-quality legal assistance.

The administration's proposal to wipe out federal funding for the Legal Services Corporation would only make this situation worse. It would strip from the poor the key incentive most people have to obey the law and follow the rules: the belief that if you are right and the other person is wrong, the law and the lawyers will see that justice is done.

Maybe this corporation could be folded out of existence as part of a total reform of the way legal services are delivered. Maybe the money for its activities should be provided in a different way. But it would be reckless for the federal government to walk away so abruptly from this project. The poor, having had a taste of what the law can accomplish in their behalf, are not likely to—and should not—accept quietly a return to the old days when their rights counted for nothing.

The ultimate irony in this proposal is that it would cut off legal services to the poor while continuing to subsidize legal services to corporations and many rich people. Legal fees are often business expenses, which are, naturally, tax deductible. Perhaps this administration, with its love for user charges, can think of a device that would channel some of that money or a part of the hefty, six-figure incomes the big-time lawyers take home into providing legal services for the rest of the community. The law—and the lawyers—will not be fulfilling the ultimate promise of this country until everyone has an equal chance at justice. ●

TUITION TAX CREDITS—POOR EDUCATIONAL POLICY

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. DIXON. Mr. Speaker, just last week I received a letter from the president of one of our Nation's most prestigious private universities.

I point this out, because his letter outlines a number of reasons why tuition tax credits represent a poor way to aid education or individual students.

At a time when the administration wants to limit eligibility for student loans, it is ironic to float support for tax credits which will cost from \$4 to \$6 billion, and provide limited access compared with need-based programs.

I would like to share this letter from President Donald Kennedy, of Stanford University, and encourage consideration of his insightful arguments.

STANFORD UNIVERSITY,
Stanford, Calif., March 10, 1981.

Hon. JULIAN C. DIXON,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DIXON: Although the President has not included Tuition Tax Credits in his first initiative, it is clear from the number of bills already introduced that you will have the responsibility of voting on this issue during this session of Congress. I am writing to you early in the process because I am deeply troubled by several issues raised by this approach to student aid at postsecondary institutions. Let me make it clear that I shall address the issue only from the perspective of higher education.

From that perspective, I can assert with confidence that Tuition Tax Credits cannot be defended either as aid to education or as student aid. As you know it is frequently claimed to be both, simultaneously. That is, to put it charitably, logically impossible. If the proposed \$250 credit is to be absorbed in higher education, then it will be of no benefit to students and their families; if, conversely, it is to provide any enhancement to the ability of parents to pay for their children's education, then universities and colleges must set tuition as though the benefit did not exist. There is no way to reconcile the two.

In fact, a \$250 tax credit will not assist a single student to come to Stanford or any other independent institution. Neither will it be helpful to most students who choose to enroll at a public college or university, nor can it stand inspection as an aid to higher education. That is why most of the major Associations representing independent and public colleges and universities, after debating the issue thoroughly, have voted to oppose Tuition Tax Credits.

Let me summarize some of the major reasons for this opposition. I believe they are compelling:

1. Current student aid programs can certainly profit from reform—perhaps most notably from the imposition of income ceilings on eligibility for Guaranteed Student Loans. But the central element of those programs, carefully built in by Congress over the last twenty years, is their focus on delivering aid to those students who need it, and/or enabling those students to attend the institution best suited to their interest and aptitudes. Together these provisions constitute a remarkable accomplishment in educational policymaking by the government.

This achievement would be seriously endangered by Tuition Tax Credits. When the Packwood-Roth-Moynihan Bill, the most likely legislative vehicle during the 97th Congress, was introduced on February 24th, reported estimates of its cost ranged between slightly over 4 billion and 6 billion. Most analysts agree that about two-thirds of the cost will be for students enrolled in colleges and universities. It is hard to imagine that 2.7 billion can be given up for Tuition Tax Credits without endangering the current programs which so effectively serve students with real need. Indeed, those programs already appear as targets for devastation in the OMB budget proposals.

I cannot resist noting the irony of placing limitations in the Guaranteed Student Loan Program (projected to save several hundred million) while expressing enthusiasm for Tuition Tax Credits, which have no income cap at all and will cost over 4 billion dollars—all at a time when there is strong bipartisan support for budget reduction.

2. Proponents declare that a great advantage of Tuition Tax Credits is the ease of

obtaining the benefit—one line of the tax form. Does this mean no regulations will have to be written? Of course not. On the surface, it may appear simple—but the IRS must determine which institutions and eventually which individuals are eligible. While I have enormous respect for the ability of the IRS to collect revenue, I am not comfortable with its ability to be an arbiter of educational policy, or to simplify the administration of any program. Furthermore, the simplicity argument begs the real issue—which is equity, and not administrative convenience.

3. It has been suggested that an important reason for including colleges and universities is to heighten the chance for success against a court challenge to Tuition Tax Credits for elementary and secondary schools. This may be viewed by some as clever politics, but it surely makes for bad policy. The issues should be faced separately, and college students should not be employed as political shields for this measure.

I would welcome the opportunity to discuss in greater detail the issues raised by Tuition Tax Credits for colleges and universities. At the very least, I urge you to meet with college and university representatives in your district before you decide how to vote on this proposal.

Sincerely,

DONALD KENNEDY,
President. ●

HOUSING AS A SPECULATIVE COMMODITY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ROSENTHAL. Mr. Speaker, the New York Times for March 18, 1981, contains an article entitled "Housing, Inflation, and Taxes" by Rolf Goetze, which I would like to call to the attention of my colleagues. Mr. Goetze, who will be a witness at hearings to be held by the Subcommittee on Commerce, Consumer, and Monetary Affairs on March 30, 31, and April 1, 1981, on condominium conversion, makes the point that our tax laws help to encourage housing as a speculative commodity. He also discusses the role of tax laws on condominium conversion, the decrease of affordable rental housing, and the impact of housing speculation on inflation. A more extensive discussion of these issues was published by Mr. Goetze in the Boston magazine, "Working Papers," for January-February 1981.

The article follows:

HOUSING, INFLATION, AND TAXES

BELMONT, MASS.—Interest rates, energy scarcity, and demographic changes are widely perceived as principal causes of unaffordable and scarce housing, but the Federal tax code is equally a factor, and is more readily modifiable.

Homeowners' tax deductions for mortgage interest and property taxes are rapidly soaring, from under \$10 billion in fiscal 1977 to an estimated \$35 billion in fiscal 1982. These

deductions, officially called "tax expenditures," have become a major focus in the search for additional Federal revenues.

In regions and areas of greatest housing demand, among them the Sun Belt and rediscovered urban neighborhoods, they no longer stimulate adequate production; instead, they inflate the value of the existing stock, rewarding affluent owners the most.

The Federal income tax encourages overinvestment in home ownership by individuals in the highest tax brackets, and as they buy more housing than they need, as tax shelters, they soak up mortgage credit and leave too little housing for others currently without such tax advantages.

Of the \$22 billion in homeowner deductions in fiscal 1980, 25 percent were taken by relatively few households—those with incomes over \$50,000. In effect, a high tax bracket reduces the cost of a mortgage to the point where affluent households, instead of investing in reinvestment, cannot afford not to buy appreciating housing.

Curbing housing-cost inflation is a particularly appropriate goal these days for another reason: The cost of housing strongly influences the Consumer Price Index. In turn, the index directly raises the Federal budget through indexed assistance payments such as Social Security, and also shapes salary and wage increases throughout the economy.

There is considerable experimentation directed at making housing credit more affordable, ranging from tax exempt housing bonds to innovative terms for conventional lending. But seen from the public standpoint, not all housing investments are equally productive.

New construction and upgrading of existing stock are sorely needed and benefit the economy, but the after-restoration trading-up of well-situated "urban treasures certified by preservationists" is speculation in a collectible—but at taxpayers' expense—because home ownership is particularly tax-sheltered. An increasing share of tax expenditures now go to housing as a speculative commodity.

Effective tax policy should encourage productive housing investments while discouraging speculation. Does this require more regulations and call for a greater Government role? Not at all. A simple modification of the Internal Revenue Service's basic income-tax form, the 1040, could largely achieve this. It could replace homeowner tax deductions by a single homeowner tax credit of 25 percent of mortgage interest and property taxes combined, and could cap this Federal tax credit at \$2,500 per homeowner so that it would help everyone toward buying or owning a median-priced home.

Such a change in tax policy would foster more moderate-income home ownership, preserve rental apartments by slowing their conversion to condominiums, free up mortgage money, shift investor attention to more-productive investments, reduce the call on direct Government assistance to aid the disadvantaged, and help balance the Federal budget over a period of time. Of course, the only ones harmed by this modification would be those vocal, influential interests that count on inflation to continue, and consider housing a speculative commodity.

Many who take the standard deduction or are in tax brackets lower than 25 percent—both actual and potential homeowners—would benefit. This shift would initially cost

the Treasury no more than the current homeowner deductions, and eventually a lot less. As participation in home ownership broadened, each owner would receive a more modest tax benefit. The substantial tax savings currently claimed by the most affluent would be transferred down the income ladder.

A 25 percent tax credit would reaffirm the basic American commitment to a decent home but prevent giving away so much to the most affluent. While it would not directly address less-tractable rental-housing problems, a \$2,500 cap would allow all homeowners to shelter up to \$10,000 annually in interest and property-tax payments, helping anyone to own a median-priced home. However, taxing the excess spent above this would ease housing competition, improve the general housing situation, and reduce inflation. As the cap took effect, Federal revenues would increase, improving the prospects of balancing the budget. ●

COAL INCENTIVES ACT OF 1981

HON. CLEVE BENEDICT

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BENEDICT. Mr. Speaker, I am pleased to join my colleagues from both sides of the aisle and around the Nation, RICHARD C. SHELBY of Alabama, TOM CORCORAN of Illinois, and KENT HANCE of Texas, in introducing the Coal Incentives Act of 1981. The provisions of this bill will encourage major energy users and utilities to convert to our most abundant energy resource.

Our national security requires that we take immediate steps to reduce our dependence on foreign oil and substitute coal wherever possible. Conversion by utilities now dependent on oil for 37 percent of their electric generation would clearly reduce our imports and remove the present upward pressure on utility rates. Decontrol is not the cause of rising utility rates. The cause is a continued reliance on petroleum for generation.

Since the embargo of 1973 the price of oil has risen 1,100 percent. During the same time period the inflation adjusted price of domestic steam coal has risen a fraction of this amount. Despite this, coal is responsible for about 15 percent of electric generation. Clearly, there are some major obstacles to conversion. The Coal Incentives Act of 1981, which amends the Clean Air Act and the Internal Revenue Code of 1954, is a response to the environmental and economic constraints that have prevented the shift to our most abundant energy resource. ●

WORKING TOGETHER—OR WORKING TO WIN ELECTIONS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. PICKLE. Mr. Speaker, about 6 to 8 weeks ago, I noticed that should a Democrat raise a question about any aspect of the President's economic proposals, he or she would immediately be attacked as disrespectful, uncooperative, and just downright nigh un-American.

The interesting thing about these attacks is I do not feel that they were being orchestrated by the White House, or the President. Just the opposite, in fact, as I feel that the President and his team know that to do the things needed to fight inflation there must be mutual respect and patience. I think that the President knows that there is not a monolithic Democratic view or a monolithic Republican view in Congress.

The attacks seemed to come from strictly new right political groups, or from people who think that they are helping the President by painting all Democrats as mean-spirited and disrespectful toward the President. In the long run, however, this will hurt the President and his programs as votes begin to be cast more in a partisan manner. If this happens, many of his programs will not become law, and as things get worse, he will get just as much blame as Congress.

Recently, James Reston wrote an interesting column about only one aspect of all of this. I submit his column to be reprinted in the CONGRESSIONAL RECORD since it makes some interesting points.

[From the Washington Star, Mar. 12, 1981]

HEARTS, MINDS, AND DEDUCTIONS

(By James Reston)

The Battle of the Budget will be fought on two levels: in the Congress, and between private organizations that support or oppose President Reagan's economic program.

The second level is particularly interesting, for its object is to influence public opinion, and whoever wins could be decisive in the final votes on Capitol Hill.

It would be helpful at the start of this momentous debate to know something about how this expensive exercise outside Congress is to be financed, and specifically whether funds raised to influence public opinion are to be tax deductible.

For example, a group of Reagan's friends and supporters, including Justin Dart and Charles Wick, have created an organization called the Coalition for a New Beginning. Its leader is William Fitzgerald, a 73-year-old Omaha financier who is likely to be co-chairman of the coalition. Anne Armstrong, former U.S. ambassador to Britain, is likely to be his principal associate.

This organization will raise funds, explain the economic condition of the country as they see it and publicize the Reagan administration's proposed remedies through such

devices as mass-mailing appeals, speakers' bureaus, Op-Ed page articles, closed television circuits to audiences throughout the country, and various types of direct advertising. Joe Baroody of the Washington public relations firm of Wagner & Baroody is helping with the planning.

Reagan was asked at his last news conference whether the names of financial contributors to such programs would be published. Wouldn't disclosure of the contributors assure the public against any conflict of interest?

The President replied that there couldn't be any conflict of interest because "we didn't have anything to do with it. We know that such a program is going forward and we have no contact with it at all."

Sen. Robert Byrd of West Virginia takes a more suspicious view. The Republicans, he noted, are in a much better position to raise funds than the Democrats. "It smacks of the selling of America to me," he said.

Fitzgerald of the coalition disagrees. He says the program will merely be "informational" and "educational."

No appeals will be made to the voters to lobby their congressmen or punish those who oppose the Reagan policies. The coalition will work through the U.S. Chamber of Commerce, the National Association of Manufacturers and the Grange, and also try through other organizations to broaden its appeal to citizens of all political persuasions.

The possibilities of these private coalitions are immense, as the Democrats discovered in the last election, when private committees helped carry the Senate for the Republicans. Like Reagan, Fitzgerald indicated that there would be no disclosure of the names of contributors, and under present IRS rules, no limit to the tax-deductible funds that could be contributed by corporations.

A BUSINESS EXPENSE

A corporation, for example, could not deduct contributions from its taxes if the coalition engaged in direct "grass-roots lobbying." But if the campaign is for "information" or "education," a corporation can deduct its contribution as a business expense if it has reason to believe that the campaign will improve its business to the extent of its contribution or above it.

This rule of thumb is, of course, subject to interpretation by the IRS, but the coalition leaders are confident that such contributions will be deductible and that this will make a wide appeal not only to businessmen but to a great many middle-class citizens.

The Democrats have another view. What they regard as "education" when they do it is condemned as "lobbying" at public expense when the Republicans do it.

They do not pretend that they can hope to raise anything like the vast sums available to the Republicans—especially in relation to the Reagan economic program, which they feel favors the rich and big business more than it helps the poor or the middle class.

Also, they feel there is a risk of divisiveness in this campaign. For even before the Congress has had a chance to study the Reagan proposals in detail, the coalition, with Reagan's support if not at his initiative, seems to be appealing to the people over the head of the Congress.

As Byrd says, raising millions in hidden contributions from rich corporations to help put over an austerity budget that hurts the poor and distorts representative government

is an odd thing to do in the name of "education."●

SUPPORT FOR THE PRESIDENT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HUBBARD. Mr. Speaker, the job at hand is to rebuild America's industrial might, straighten out the economy, and reclaim our preeminence in the world. It will not be easy. Sacrifice will be required. I would like to share with my colleagues the views of my constituent, E. Morton Brashears of Hopkinsville, Ky., about the administration's course of action. Mr. Speaker, I submit the following:

I have been following your statements in the press and on the radio from time to time as you visit in Hopkinsville and western Kentucky. Generally, I'm pleased with your position on most issues, especially with what you said regarding your cooperation with the new President.

There are those among us who are actually trembling over the thought of having their social welfare benefits reduced or taken away, but how can we do otherwise? I believe it was Adam Smith in his "Wealth of Nations" years ago who said, "What is prudence in the conduct of every private family, can scarce be folly in that of a great kingdom."

So far, I am one hundred percent behind President Reagan. It's the only program left.

Sincerely,

MORTON BRASHEARS.●

THE WATER PRICING REFORM ACT OF 1981

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. MILLER of California. Mr. Speaker, I am introducing today the Water Pricing Reform Act of 1981, a bill which is as timely in its goals of fiscal responsibility as it is in its thrust at proper management of our Nation's water resources.

This legislation tracks exactly four major policy goals enunciated by the Reagan administration:

First, the bill would strengthen the free enterprise system by removing a massive Federal intrusion into the Nation's agricultural industry, an intrusion based on subsidies which are inconsistent with the free enterprise system;

Second, the bill would utilize realistic pricing as a means of encouraging conservation, much as the administration seeks to achieve with the decontrol of oil and natural gas prices. What is sound economic and resource management policy with respect to energy, it would seem, would also be sound

EXTENSIONS OF REMARKS

with respect to our federally developed water resources;

Third, the bill would reduce Federal assistance to losers and aid winners by continuing to deliver Federal irrigation benefits to the most healthy and growing agricultural districts, but phasing out generous subsidies to marginally profitable and less productive areas; and

Fourth, the bill would address one of the key problems under challenge from the administration—Federal programs which began with the good intentions of aiding the small or the poor, but which have grown uncontrollably and now benefit a large number of well to do. Irrigation is a program where Federal subsidies just grew and grew, and now we find billions of dollars in Federal taxpayers' money being used to subsidize some of the wealthiest agricultural interests in the United States.

Throughout the county in recent months, the threat of drought has made millions of Americans painfully aware of our limited water resources. In many areas, water shortages are due to insufficient reservoir storage capacity. But in the West, a major reason for water scarcity is profligate use, frequently at public expense, with billions of dollars in subsidies to some of the wealthiest economic interests in the Nation.

Four years ago I first introduced a version of the legislation I am reintroducing today. It is more timely in 1981 than it was in 1977; the public is more aware of the water crisis; and it is more urgent, for fiscal rather than for environmental reasons, that it be enacted at the earliest possible date.

We know that water, like energy, is price sensitive. Presume, if you can, that the biggest energy consumers, knowing of oil shortages, refused to conserve their consumption; that, instead, they built more energy-consuming plants, and passed along the additional costs of that energy to the general public. Suppose they waived off all efforts to encourage conservation and efficient use, and demanded more public dollars for their own special uses.

Would this Congress approve such expenditures? Would the public support such spending? Would the cost-conscious administration endorse such a ludicrous plan?

Of course not. Yet substitute water for energy in my scenario and you will correctly identify the current water policy situation in much of the West.

Studies have shown that water priced at \$1 to \$3 an acre-foot—about 325,000 gallons—is used at just 40-percent efficiency. Increase the price to \$10 an acre-foot—still a bargain in most areas—and efficiency increases by 50 percent.

The unreasonably low prices for federally developed water costs taxpayers

billions of dollars, and the benefits flow to a small number of interests. These projects were authorized and constructed by the Congress not merely to encourage agricultural expansion, but to preserve small family farming.

Following exhaustive studies, we now know that the beneficiaries are often other than small farmers. The recently completed environmental impact statement on the reclamation program, for example, concluded that 0.9 percent of the farm operations—owned and leased—control 20 percent of the land in the reclamation program. The top 2.6 percent of operations, those of 960 acres or more, enjoy 31.4 percent of all the land, while those farming less than 160 acres—74 percent of all operators—control just 23 percent of the land in the program.

The subsidies in the water program are staggering. Many irrigators secured long-term, water service or repayment contracts whose prices were fixed at the time of the preconstruction feasibility study for a period of more than 50 years.

Repayment is not for the entire cost of the project, as is often promised, but is rather nearly discounted by the contractor's payment capacity, another significant public subsidy.

The most sizable subsidy results from the interest-free loans which are extended to irrigators over a 40- to 50-year repayment period.

Of six projects recently studied by the General Accounting Office in its investigation, "Federal charges for irrigation in projects reviewed do not cover costs," March 13, 1981, GAO concluded that irrigators repay no more than 7 percent, and in some cases as little as 2 percent, of the real cost to taxpayers of these profitmaking projects. I appreciate the argument that these Federal investments produce food and fiber which benefit the Nation. I assume that many businesses would be a great deal more productive and profitable if they were underwritten by billions of dollars in taxpayers' subsidies. But that is not our economic system.

The time certainly has passed for us in Congress to perpetuate the fiction that these projects pay for themselves or that they benefit only small farmers. Many of the beneficiaries, in fact, are among the largest farmers in this country. Yet, current practices allow the Interior Department to set their water rate charges as though the farms were 160 or 320 acres. The result is that the "ability to pay" is minimal while the profits are extreme. In the case of the Westlands Water District, Interior has calculated the real cost of unsubsidized delivery at more than \$70 an acre-foot, and the district's repayment capacity at over

\$50 an acre-foot. Westlands pays only \$7.50 an acre-foot, and Interior is now considering a contract which would allow them nearly 1 million acre-feet of water for 27 years at a price of only \$9.09 an acre-foot. Even with the interest subsidy, the cost of delivering that water today exceeds \$12 an acre-foot. We must act decisively to prevent these fiscal abuses from reoccurring, because each of them binds this Congress, and the Nation's taxpayers, to decades of unjustified and costly public subsidies.

The responsibility for repaying irrigators' subsidies falls not only on the general taxpayer, but on other project beneficiaries who are already carrying their full load. Under current law, irrigation subsidies are paid in part by power users, which is why utility rates in the Central Valley project, in areas like Sacramento, Santa Clara County, Roseville, and Palo Alto, have skyrocketed in recent years and will continue to grow.

Moreover, WAPRS recently unveiled a new pricing scheme which would also require municipal and industrial (M. & I.) users to pay for the subsidies enjoyed by irrigators who, in California, consume 85 percent of our water. This passing of the hat seems particularly unfair since M. & I. users not only already pay fully for their water, but pay an interest rate, too.

My legislation would end these illogical and irresponsible practices by putting the financial responsibilities for future contracts and projects where it has always properly belonged: on the irrigators who profit from these projects.

I want to make it very clear that this legislation in no way addresses the controversial acreage limitation or residency requirements of the Federal reclamation laws. Here we are addressing only the issues of fiscal responsibility and appropriate management of Federal resources. There should be no partisan ideological or regional dissension from the principles outlined in this bill.

A section-by-section description of the bill follows:

SECTION-BY-SECTION DESCRIPTION

SECTION 1. Short title, "The Water Pricing Reform Act of 1981."

SEC. 2. Requirements for contract compliance.

SEC. 3. Preservation of existing contracts.

SEC. 4. (a) Future contracts for existing projects to require recovery of all construction costs allocable to irrigation, plus operation and maintenance (O & M) costs.

(b) New project contracts to require repayment of construction charges, O & M, and interest at a rate of not less than 2% or more than the existing rate on U.S. securities.

(c) Secretarial authority to supplement charges to encourage conservation and efficient use.

(d) Annual re-calculation and readjustment of prices.

(e) Establish 10-year maximum duration period for a water service contract.

SEC. 5. Reduce repayment term and require initiation of repayment on a timely basis.

SEC. 6. Repeal "ability to pay" subsidy. SEC. 7. Restrict speculative water resales for profits by federal contractors.

SEC. 8. Public participation and congressional review of major water service contracts.

Mr. Speaker, let us not wait for a national water crisis to cripple this Nation before we act to instill commonsense economic order into the Federal water program. Does it make sense to sign away vast quantities of water at \$9 an acre-foot, as the Interior Department is now considering, when it costs taxpayers \$12 to deliver that water? Should we initiate construction of projects which will use massive public subsidies to irrigate low-quality lands, and which will never be paid for by the beneficiaries?

Would anyone operate their private business so irresponsibly? Would any Member of this House spend his or her own money so wastefully?

The evidence for this legislation has mounted steadily. The pricing system I recommend is similar to that currently used by States, including California, and it is almost the same as one which unanimously passed the House Interior Committee last year.

Just this week, GAO has released a major study which concludes that there are massive and unjustifiable subsidies in many water contracts, and which concludes: " * * * more of the Federal investment could be recovered from the farmers and still allow them a positive net income from the Federal water."

GAO determines, as did the Interior Committee and the Interior Department last year, that " * * * the original rationale[s] for building the Federal projects and increasing the subsidy * * * have been reached and the projects should be reevaluated in the light of current economic and social conditions."

This modernization of water pricing is the timely goal of the water pricing reform act, which I am today introducing. ●

ONE HUNDRED YEARS OF A JOB WELL DONE

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. GUARINI. Mr. Speaker, a few short months ago United States Testing Co., Inc. of Hoboken, N.J. celebrated its century birthday. I want to take this opportunity to commend the United States Testing Co. and its many fine employees for a job well done in serving the public over the last 100 years.

It is encouraging to find a company that has so much to celebrate in our present business climate. The story of the United States Testing Co. is a microcosm of American business enterprise. In 1880 the company started with one small lab in the heart of the New York City commercial district. In 100 years it has grown into a diversified company with 900 employees in 31 laboratories, a true success story.

The United States Testing Co. is an independent organization that provides services and products in the fields of testing, research, inspection, surveillance, and testing instruments. Its clients include commerce, industry, and the Government. Often its labs are called upon to render independent judgments on a company's own findings.

Mr. Speaker, we have become increasingly aware in the last few years of the importance of testing. It is essential both to quality and to safety. I am proud to serve a district that includes an organization that contributes to the betterment of our society. I am proud of the achievements of the United States Testing Co. during their 100 years of existence, and I wish them the best for another 100 years. ●

THE RIDESHARING TAX INCENTIVES ACT OF 1981

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. EDGAR. Mr. Speaker, I am pleased to introduce the Ridesharing Tax Incentives Act of 1981 to contribute to the development of energy-efficient alternatives to the single-occupant automobile. This bill incorporates several of the provisions from Senate bill S. 239 introduced by Senator DURENBERGER.

During the past 10 years, the United States has been subjected to two interruptions in the supply of crude oil from the Middle East. The threat of future interruptions continues to hang over us. Accompanying these shortages were price increases of unbelievable magnitude that put an enormous strain on our economy and the personal finances of our citizens.

We have good cause to be worried about our petroleum supplies. One-half of the oil we consume is used for transportation and one-half of that amount is used by the automobile. Since significant decreases in the flow of oil can bring the country to a halt, it is imperative that we exercise every option to decrease our need for this expensive and increasingly scarce commodity.

Americans enjoy the highest level of personal mobility in the world thanks to the automobile. The United States

has 663 automobiles per 1,000 population compared to 241 per 1,000 population in Europe and 85 per 1,000 population in the rest of the world. We want to preserve that mobility. However, we have to recognize that the automobile must be used more efficiently in the future. Each day over 80 million Americans travel about 19.4 miles on the round trip to and from work. Approximately 52 million of these commuters make the trip in a single-occupant automobile. Three-quarters of the seats in these commuting vehicles are empty. There is tremendous potential to use these vehicles more efficiently with a minimal impact on the personal mobility of our citizens.

I think it is fair to ask how we got into the present situation. Certainly the most obvious reason is that Americans like their cars and enjoy the freedom and mobility they offer. However, this inclination toward the automobile was reinforced by huge Federal subsidies for highway construction, the neglect of our mass transit systems, the suburbanization of America supported by Federal programs, and the acceptance of free parking as an untaxed benefit. In addition, the regulatory and institutional structure that developed over the years posed formidable barriers to ridesharing. Until a few years ago, vanpooling was illegal in most States, insurance for vanpools was unobtainable, cheap parking and the lack of interest in commuter transportation on the part of employers encouraged people not to pool, and there was no funding program to support collective transportation. In short, we did everything in our power to make sure people drove alone.

I am happy to say that things have dramatically improved. Many of the legal, regulatory, and insurance barriers have been removed, employer interest in commuter transportation has grown, and funds are now available for transit and ridesharing programs. But human nature changes slowly, and we are talking about a fundamental alteration in the lifestyle of most Americans.

Last year, the President's National Task Force on Ridesharing was requested to develop recommendations for actions to hasten the acceptance of ridesharing by the American public. This group was chaired by Mayor Tom Bradley of Los Angeles and included the chief executive officers of several major corporations as well as transportation professionals from the public and private sector. They concluded that much more needed to be done to promote ridesharing and recommended actions for all levels of government as well as the private sector. At the Federal level, they recommended that tax incentives be provided to employers, individuals and third party vanpool contractors. It is this recommen-

dation that will be implemented by the legislation I am introducing today.

Mr. Speaker, over the past few years a number of proposals have been advocated to limit the demand for petroleum. These include decontrol of oil prices, a tax on gasoline, rationing of gasoline, redesign of the automobile, and a synthetic fuels program. All of these cost a great deal of money and in some cases are extremely difficult to administer. My object is not to make value judgments concerning these approaches, but simply to point out that ridesharing can provide significant energy savings at relatively low public cost and can also provide large economic benefits to commuters and employers in the form of lower outlays for gasoline, maintenance, and parking spaces. Ridesharing is not proposed as a substitute for other actions, but it can be an effective complement to any other energy-saving program that is implemented.

A Congressional Budget Office study indicates that in terms of Btu's consumed per passenger mile of commuting, vanpooling is 700 percent more efficient than the single-occupant auto. Put another way, the Federal Highway Administration estimates that each vanpool takes five automobiles off the road and saves 5,000 gallons of gasoline each year. The average vanpool commuter is estimated to save \$800 per year over the cost of driving alone.

At a time when we are considering a number of expensive and complicated programs to save energy, I think it is important that we understand the important role that ridesharing can play as a low cost, but significant, contributor to the solution of our energy problems.

Mr. Speaker, title I of the proposed legislation provides a tax incentive to the individual who buys a van—commuter highway vehicle—and uses it for ridesharing. Current law only offers ridesharing incentives to the business which purchases a van for employee programs. The measure I am introducing would amend the 1978 Energy Tax Act to provide the same incentive to the individual for ridesharing that is currently available for the purchase of home insulation or storm windows. Any individual who purchases a van and uses it for ridesharing over a 3-year period would be eligible for a 15-percent tax credit based on the cost of the van.

Title II of this legislation is designed to remove some of the ambiguity in current law regarding employer programs to support and encourage ridesharing and mass transit use by employees. This bill would exclude from taxable income of the employee, any payment by an employer made as a subsidy for the cost of mass transportation, vanpooling or carpooling. If the employer provides busfare or transpor-

tation to and from work in a vanpool, the cost of that transportation would not be included as income for tax purposes. This provision will provide equitable treatment for transit riders and poolers vis-a-vis the solo auto driver who has always received free parking as an untaxed benefit.

Title III amends the current law to increase the tax incentive for businesses purchasing or leasing vans for use in employee ridesharing programs. It adds vanpool vehicles to the list of energy properties qualifying for the business energy tax credit and sets the energy percentage at 10 percent. This brings the total investment credits for the purchase of vanpool vehicles to 20 percent.

Title III makes two additional changes in the existing business incentives for ridesharing. Current law restricts the investment tax credit to vehicles used by the taxpayer's employees. Under these provisions, it is not possible for a third party ridesharing management firm to receive the credit for vans leased to the employees of a client company. Third-party ridesharing firms offer great promise for small companies with few employees. Ridesharing management allows the employees from several small firms in one location to be pooled for more efficient commuter transportation. Title III provides an incentive for this arrangement by removing the word taxpayer from the current law.

Current law also restricts the investment credit to vehicles on which 80 percent of the mileage is used for ridesharing purposes. This prevents a business from purchasing a van primarily for business purposes, using it occasionally for pooling, and claiming the credit. This limitation is known as the 80/20 rule.

In many cases, corporations purchase the vans and essentially loan them to the driver. The driver is responsible for maintenance and fuel, for recruiting the riders and collecting the fees. As an incentive to encourage employees to serve as drivers, the company will allow the driver to use the van in nonworking hours for personal and family purposes. The 80/20 rule restricts the attractiveness of driver incentive mileage as an inducement to volunteer as a driver. Therefore, this bill eliminates the mileage condition and requires that the vehicle be used in commuter service for 176 days per year.

Title IV of the bill provides a business tax credit for a series of costs that businesses might incur as administrative overhead for an organized employee ridesharing program. These costs include assigning personnel to manage the program, adjusting working hours to facilitate ridesharing, computer matching of potential riders and drivers, surveying the commuter

transportation habits and needs of the employees, distributing information on ridesharing vehicles, contracting for assistance in managing a ridesharing program, providing liability insurance for ridesharing vehicles and maintaining emergency vehicles for use of employees who commute in ridesharing vehicles to work.

This credit is limited to the amount actually incurred by the company in providing the service or to an amount based on a sliding scale whichever is less. If less than 15 percent of a company's employees participate in a qualified ridesharing program, this credit has no value. However, if more than 15 percent participate, the company is eligible for the credit and the value of the credit per employee increases as the percentage participating increases. Many companies provide administrative assistance to the ridesharing programs organized for their employees. Title IV of this bill offers a powerful incentive for other companies to get involved in ridesharing programs.

A final note about the Commuter Assistance Act is that the tax credits of titles I, III, and IV will be terminated at the end of 1985. I feel that ridesharing will sell itself once people try it. What it needs now is an extra push to get going. Within a few years, ridesharing should take off on its own.

I expect this legislation to generate widespread support from employers, transportation professionals, and transportation operators. I look forward to the passage of this legislation and the positive effects of ridesharing as part of our national energy policy.●

EL SALVADOR

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. MOAKLEY. Mr. Speaker, I am deeply concerned by the increasing bloodshed in El Salvador; violence which has claimed 12,000 lives over the past year. I am equally concerned about our Nation's role in this conflict because I strongly believe that as the world's largest democracy this Nation should be promoting freedom, justice and peace not contributing to violence, terrorism, and political instability.

The United States can and must play a constructive role in El Salvador and I believe this can best be achieved by working for a political settlement rather than a purely military solution. To help work toward this goal, I have joined my colleague, Representative GERRY E. STUDDS, in cosponsoring H.R. 1509, a bill to terminate all U.S. military assistance to El Salvador.

By cutting military aid, America will signal to the Duarte government and

to the world that it will not be identified with repression and murder of political, labor, and religious leaders. Nor will the United States accept the cover-up of investigations into the murders of the three nuns, a religious lay worker, and the two labor representatives—all of whom were U.S. citizens.

This is a first step. The United States must also seek a solution which will promote the interests of all parties to the conflict in El Salvador as well as protect the strategic concerns of the United States in Latin America. Our Government should work through international organizations, such as the United Nations and the Organization of American States (OAS), and frontline nations of the area to begin the negotiation process at the earliest possible date.

Included in this effort should be an enforceable cease fire and a halt to all arms shipments from any source to El Salvador. By doing this, I believe we can pave the way to a settlement, possibly modeled on the recent successful inclusive nonpartisan conference in Zimbabwe, which led to a government with both national and international support.

We can no longer treat our Nation's backyard as our playground and I will strongly stand behind efforts to bring the dissenting parties to the conference table. Negotiation, not military escalation, is the road to peace and the United States can, by working with its American neighbors, start down this promising road.●

CONGRESS MUST MAINTAIN ITS
COMMITMENT TO HIGHER
EDUCATION

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ECKART. Mr. Speaker, as a member of the Postsecondary Subcommittee, I had the opportunity to hear the testimony of Education Secretary Terrel Bell in support of the Reagan administration's proposed amendments to the Higher Education Act of 1965. I heard the Secretary speak of such factors as budgetary control, education and administration costs, and the needs of financial institutions. At no time, Mr. Speaker, did I hear any information about the possible results students themselves would face.

I was particularly appalled at the administration's sweeping assumptions regarding student ability to earn money to help in financing a college education. The administration proposes that in order to qualify for an annual Pell grant, which is the foundation program of Federal student assistance, a student must contribute

\$750 toward his or her education. I have no qualms with expecting students to put what they can toward the costs of their schooling. However, there is extremely high unemployment among teenagers today—almost 20 percent at last report. For minority students, this figure is more than 34 percent.

The average cost of 1 year at a private 4-year college or university is more than \$6,000, and these costs can only be expected to increase. Higher education costs at public universities have also dramatically increased. Fewer and fewer families can afford to carry the full tuition burden of such inflated figures. Living costs add another dramatic amount to the total dollars needed each year by a student pursuing a degree. More and more students will be forced to chase the same dwindling supply of jobs just to stay in school.

In the early 1970's, when I was attending law school, the unemployment rate for my age group was less than one-half its present level. I worked to help finance my education because my father was one of those people earning too much money to qualify for student assistance programs, but was earning too little to take advantage of tax loopholes which would have helped to conserve money for my college tuition. As a result, I joined a union and worked unloading boxcars at what was then a very top wage. Even with the money I was able to save from this labor, I had to take out substantial loans to finance my education.

Mr. Speaker, one particular letter I received from a woman in the Cleveland area really brings all of my concerns into clear focus. Mrs. R. C. of South Euclid, Ohio, put it this way:

DEAR MR. ECKART: I am deeply troubled about the proposed cuts for college student loans. Is there a greater priority than educating our country's youth, the future leaders of our nation? The bright and talented students who happen to be in the struggling middle-class will be discriminated against. Only the wealthy or the poor who qualify for grants will be able to attend college.

As an example, we are poor, yet we are considered middle-class by many standards. We are college educated, earning \$30,000 per year with my husband working at three teaching jobs to support our family consisting of children ages 14, 16, and 18. This covers the basic necessities, absolutely no luxuries. It has been impossible to put away any savings for college, let alone retirement, which will come all too soon. My husband is 59 and will be 60 years old when our oldest child enters college. All three of our children are honor students and talented. Because our only asset is the equity in our house, we are considered too well off for grants. Are we expected to mortgage our house at our advanced age to educate our children when my husband has so few years left to work?

Our only hope to educate our children was with the aid of student loans. The consequences of eliminating this aid to millions of deserving struggling families who are in

similar circumstances as we are most disturbing. I urge you to consider our plight. I implore Congress to place a priority on higher education.

Mr. Speaker, students now planning to enter college, students in college, and students seeking advanced educations will be adversely affected by the proposals. This Congress has repeatedly reaffirmed its bipartisan commitment to make higher education opportunities available to our young people. I do not believe this Congress should approve the program recommended by the President without making major changes. The fate of today's youth, our investment in our country's future, as well as the well-being of many small educational institutions hang in the balance. This Congress should not reverse its commitment to higher education opportunities which are a major foundation of our country. ●

TRIBUTE TO TOM IORIO
HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 11, 1981

● Mr. STRATTON. Mr. Speaker, as chairman of the New York delegation in the House, I want to join—some-what belatedly—in paying tribute, as many of my colleagues have already done, to Mr. Thomas D. Iorio, former Deputy Sergeant at Arms of the House of Representatives, who passed away only a few days ago.

Tom Iorio first came to the House in 1945 under the sponsorship of our former colleague, Congressman John Rooney of Brooklyn, and in the intervening years Tom came to be known and respected not only by the Members from his State of New York, but by every Member of the House.

Tom's special assignment was to arrange voting pairs for Members who were unavoidably absent when important votes were to occur on the floor. Tom performed that important function in a very commendable fashion and won the confidence of every Member, since Tom Iorio had come to understand the views and interests of hundreds of Members of the House.

Tom also provided much of the leadership for the annual trip of Members and their families to New York City as guests of the city.

In 1976, Tom Iorio received the John W. McCormack Award given to House employees who have rendered outstanding service to the House.

We shall indeed miss Tom's friendly personality in this Chamber.

To his wife, Clara, and to the other members of his family, I extend our deepest sympathy. ●

NURSING RESEARCH

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. PURSELL. Mr. Speaker, during times of tight budgets, Government, needless to say, must look to keep its most effective programs and cut back on those that, in a relative sense, do not produce as useful results. This is especially true with respect to various research activities.

One aspect of health research that falls in the category of a very effective program is that of nursing research. Studies in this area are being translated into practical applications in scores of hospitals across the Nation and the potential benefits of such research are almost unlimited.

In this regard, I would like to share with my colleagues an article that appeared recently in the *Chronicle of Higher Education*.

[From the *Chronicle of Higher Education*,
Nov. 10, 1980]

DESPITE PROBLEMS, RESEARCH INCREASES AT
NURSING SCHOOLS

(By Cheryl M. Fields)

At the University of Michigan, nursing researchers found that patients were more successful in keeping their blood pressure down if they signed contracts agreeing to meet specific goals designed to control their hypertension.

At the University of Rochester, an experiment found that the length of hospital stays and recuperation periods after gallbladder surgery could be significantly shortened if nurses provided pre-surgical instruction designed to help patients prepare psychologically for the experience.

At several universities, research nurses found that suffering and anxiety among patients, including those with severe burns, could be reduced by "relaxation therapy"—techniques for controlling pain by conscious relaxation.

Such projects demonstrate the growing involvement of nursing schools in research designed to provide a scientific basis for nursing practice.

Many nursing leaders stress the difference between nursing and medicine. Biomedical research is concerned with the causes of disease and its treatment, they say, while nursing care aims to help patients cope with illness, learn how to care for themselves, and get better more quickly.

SHIFT TO COLLEGES SPURS RESEARCH

The shift of nursing education in recent decades from hospital-based schools of nursing to colleges and universities, the growing number of graduate nursing programs, and the demands of an increasingly complex health-care system have spurred the development of research on nursing care, says Barbara C. Hansen, chairman of the commission on research of the American Nurses' Association.

But the number of nurses trained to conduct research is still relatively small in comparison with the size of the profession and the demands upon it, says Ms. Hansen, who is associate dean of nursing at the University of Michigan's school of nursing, and as-

sistant professor of physiology in the medical school.

Nursing research is increasing, but investigators must vie with biomedical teams and other scientists for funds. They also must fight attitudes that are not always sympathetic to what research nurses are trying to do.

Ms. Hansen serves on a panel in the National Institutes of Health that evaluates proposals for grants in physiology, and, she says, "the problems that nurses are interested in are not seen as high priority by other members."

"For example, few consider the feeding problems of institutionalized elderly patients as high priority. Even if good proposals to study this are submitted, they are not slightly rated; they do not produce as much excitement as proposals that may bring about some kind of cure."

In addition, she says, a lack of postdoctoral training positions for nurses means that evaluators sometimes question the research capabilities of nurses who submit proposals.

On the federal level, there is only one small grant program, in the Health Resources Administration of the Department of Health and Human Services, that is totally devoted to nursing research. President Carter tried unsuccessfully to rescind the \$5-million appropriated for that program for fiscal 1980.

Even though Congress refused to cut the funds, Ms. Hansen says, nurses will have to fight hard in the present era of tightfisted budgets to get funds for the program.

Some officials in the Department of Health and Human Services have proposed transferring the program to the National Institutes of Health, which finances the majority of federally supported health research. Nursing researchers have opposed that move, Ms. Hansen says unless the program is listed as a specific "line item" in the institutes' budget. Otherwise, she adds, nurses fear the money would just "disappear"—or be split among the 11 institutes, making each share too small to accomplish much.

Nursing researchers have managed to obtain a few grants from some of the National Institutes of Health, as well as from such agencies as the Center for Disease Control, the Food and Drug Administration, and the Health Care Financing Administration, says Ms. Hansen. But, she says, the researchers have not yet moved aggressively enough in tapping other potential sources of financing.

SMALL GRANTS NEEDED

Officials in the government agencies also need to be more open to the potential value of nursing studies, she says, and there is "a tremendous need for small-grant funding for research projects by young investigators."

Another problem for nursing researchers is that so many other disciplines are involved in health studies, says Joanne S. Stevenson, associate professor of nursing at Ohio State University.

From her service on panels that screen grant proposals, she has concluded that not enough "fundable proposals for studies of nursing-care delivery" are submitted. "Pharmacists and dentists, as well as hospital administrators and doctors, all propose a variety of studies for the provision of nursing care," she says.

Another issue that affects both the competition for federal grants and the nursing

schools' relationships with medical schools and with other disciplines on the campuses is that nursing research often cuts across disciplinary boundaries and may require research techniques drawn from several fields.

Because of this, nurses just entering research often need to bring in consultants from other fields to help them design sound projects, Stephen J. Zyzanski, director of research in the department of family medicine at Case Western Reserve University, told nursing researchers at the recent convention of the American Nurses' Association.

HELP FOR YOUNG INVESTIGATORS

The use of such consultants in evaluating applications for research grants before they are submitted is especially valuable for young researchers, he said, and can help limit the scope of studies to manageable size.

Ms. Stevenson agrees that collaboration is often necessary, but cautions inexperienced investigators to take care in choosing collaborators.

"People at different ages want different things. With academics in the 25-to-35 age group, you need to negotiate quid pro quo's because they are totally absorbed in advancing their own careers," she says. "In the 35-to-45 age group, people are rising on the career ladder and many have some energy available to help others, but they may also be overcommitted."

"From about age 45 on, after they have tenure and are in a more settled position, many faculty members will have energy available to help younger colleagues. . . . From about 55 to 60 they are generally at the height of their prestige and may be excited by working with other disciplines after years of helping students in their own fields. This can be a very useful group for young nurse researchers."

Even careful attention to these facts won't solve all problems, Ms. Stevenson says, noting that for her own research on alcoholism among women, she carefully chose an advisory committee that had experts from other fields, including a biochemist and an exercise physiologist.

One problem, she says, was that she discovered that the older professors who were helping her "do not control the research labs. The lab directors are in the 30-to-40 age group, so even with my advisory committee formed, I still did not have access to the labs I needed."

"The younger men were not interested in nursing research and weren't supportive of my subject. The only time they were interested was when I began talking about how much I would pay them for use of their labs."

Besides the difficulties in getting resources and in winning respect for their work, nursing researchers face obstacles in the dissemination of the results of their research.

At the University of Michigan they are trying to translate the results of nursing studies into practical applications at more than a dozen hospitals in the state.

NO DEGREES FOR 80 PERCENT

Unlike doctors, most staff nurses in hospitals read few or no research articles in nursing journals, says Maxine E. Loomis, professor of nursing. And since about 80 percent of registered nurses do not have baccalaureate degrees, many are not attuned to the importance of translating research into practice.

Jo Anne Horsley, director of the project, says research must be carefully adapted to the particular situation in each hospital.

But she says investigators have found that nursing administrators and staff nurses typically are eager and receptive to sound scientific knowledge when it is available "in a clinically acceptable state."

Despite the obstacles facing nursing research, the potential is tremendous and nurses have the opportunity to enhance their position, says Ada Jacox, professor of nursing at the University of Maryland.

Hospitals are being asked to carry out "quality assurance" programs, she says, but many administrators "do not know research design or how to use computers. Nurses could go in and do the research."●

COAL INCENTIVES ACT OF 1981

HON. KENT HANCE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HANCE. Mr. Speaker, today I am pleased to join Tom Corcoran of Illinois, Richard C. Shelby of Alabama, and Cleve Benedict of West Virginia in introducing the Coal Incentives Act of 1981, to encourage the use of domestic coal.

The United States is constantly seeking to reduce its dependence on imported oil by maximizing the utilization of our domestic resources. Our most abundant domestic source of energy is coal, which constitutes over 80 percent of our domestic fossil fuel reserve, yet supplies only 18 percent of our energy needs. We are producing each year 100 million tons of coal less than we are actually capable of producing. In many States, coal miners are unemployed.

In our attempts to deal with the energy problem we have come up with numerous schemes to restrain demand, encourage alternative sources of energy, and compel people to switch to abundant fuels. None of these policies has led to any real increases in coal use because we have failed to address the restraints on our ability to utilize coal. One of the major problems in converting to coal is the 1977 amendments to the Clean Air Act. The Clean Air Act should be an important tool in assuring a healthy environment while allowing sustained economic growth and increased use of domestic energy sources. In many areas of the country, however, the 1977 amendments to the act have made it impossible to utilize coal, and in other areas, the 1977 amendments have pushed the cost of using coal to a point where there is virtually no difference between the cost of imported oil and the cost of coal. Thus, any economic incentive to convert to coal is eliminated.

The public health goals of the Clean Air Act are laudable. In evaluating the benefits of environmental regulations, however, we must be aware of their

impacts on other areas of national concern. Our reliance on imported energy is a major national security problem which can no longer be ignored. We cannot continue to enact and implement overly restrictive environmental legislation in a vacuum and ignore the energy, economic, and national security implications of what we do.

The bill I am introducing today is designed to balance our energy and environmental objectives. The bill modifies most restrictive features of the amendments to the Clean Air Act enacted in 1977, features which effectively eliminate coal as a source of energy independence. The bill is intended to strike a balance between the need for a healthy environment and the need for energy independence without either of these goals precluding our attainment of the other.

Among other things, the bill requires cost-benefit analyses, including the energy impact, of air quality standards. If a major stationary source satisfies all applicable standards, it would not be subject to more stringent limitations for a 10-year period. The bill would also moderate the standards for local coal exemptions under section 110(f). Sources which voluntarily convert to coal would be given additional time to meet air quality standards.

The bill provides tax incentives for pollution control equipment which is necessary to permit the utilization of coal and allows coal preparation plants at the mine to be eligible for energy tax credits. The bill adopts the procedure used in previous national emergencies for national defense-related construction. The energy tax credits previously enacted by the Congress, which are generally not applicable to public utility property, would be made applicable to public utility property for equipment necessary to permit the use of coal in electric-generating facilities.●

THE FEDERAL BUDGET AND THE CITIES

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. OTTINGER. Mr. Speaker, the U.S. Conference of Mayors has just released its 10th annual budget analysis entitled, "The Federal Budget and the Cities." This excellent report examines the budget in light of urban needs and national priorities. The report points out gross inequities in the President's fiscal year 1982 budget, noting that the proposed cuts would be a disaster to the Nation's poor and to our cities. Over 60 percent of the proposed cuts in budget authority will

fall on the poor and the working poor and 66 percent of the total cuts in budget authority will fall on our cities.

In the days ahead, we will be making difficult decisions on national spending priorities and I urge my colleagues to study the document prepared by the conference during their deliberations on the fiscal year 1982 budget. To facilitate this process, I am inserting into the RECORD the introductory section from the conference's budget report.

THE FEDERAL BUDGET AND THE CITIES OVERVIEW

The FY82 budget proposed by the Reagan Administration promises to restore economic health to the nation but is a disaster for the cities. Federal grants to state and local governments would be cut significantly, from \$54.9 billion in FY81 to \$47.2 billion in FY82, a drop of over 14 percent in outlays and nearly 25 percent after accounting for inflation. This will result in a serious reduction in services to the poor and to the working people in cities across the country.

Reductions in federal assistance to cities are also planned for future years. Grants to states and localities, excluding payments to individuals, would decline from 8.4 percent of the total budget in FY81 to 4.9 percent in FY86.

The Administration's FY82 budget cuts are grossly inequitable with respect to the cities. Although total state and local grants, according to the Office of Management and Budget (OMB), represent only 14.2 percent of the federal budget (including payments to individuals channeled through these governments), fully 66 percent of the total cuts in budget authority proposed by the Reagan Administration would fall on these programs. Thus, while the Administration asserts that this is a "growth" budget with a six percent rise in federal outlays from FY81, it is not a growth budget for the cities.

Moreover, over 60 percent of the proposed cuts in budget authority would fall on the poor and the working poor. Clearly, the "safety net" concept originated by the Reagan Administration is an arbitrary one, failing to count a wide range of programs which aid the poor.

Altogether, President Reagan proposes total FY82 outlays which are \$44.0 billion below the level proposed by President Carter in January and \$48.6 billion below the level needed to maintain programs at their current service levels. Revenues would be cut by a larger amount—a total of \$61.4 billion in FY82—resulting in a somewhat larger budget deficit than that proposed in the Carter budget, but still somewhat lower than last year's.

Such reductions in federal spending and taxes are consistent with President Reagan's announced intention of reducing the scope and role of the federal government by turning over more responsibilities to the private sector and to state and local governments. The Reagan Administration's long-range forecast in the budget is to reduce the relative size of the federal government from 23 percent of GNP in FY81 to 19 percent in FY86, a dramatically sharp decrease with major ramifications for local governments.

The abdication of federal responsibility for a wide range of urban programs and some income transfer programs, which is reflected in the Reagan budget, is troublesome. Cities do not have the resources readi-

ly available to offset the decline in federal aid, especially since many cities are confronted with mandatory limitations on spending or revenues. The unfortunate results of federal retrenchments are likely to be sharp reductions in service levels, the termination of benefits for literally millions of needy families, and potentially large increases in property taxes. The negative impact on cities, if all the cuts were to be adopted, cannot be overstated.

The U.S. Conference of Mayors recognizes the need to bring inflation under control. Inflation has hurt our cities terribly. As part of the fight against inflation, we are willing to make our programs more cost-effective. But, we do believe that simply transferring burdens to local governments will do little or nothing to alleviate inflation.

We are concerned about proposed cutbacks in programs which generate employment, especially in view of the rise in unemployment which is forecast by the Administration. The Administration's economic scenario predicts a rise in the unemployment rate to 7.7 percent by the end of the year and the persistence of high unemployment throughout FY82—unemployment which is concentrated in the cities. And yet, despite the fact that the unemployment forecast is the most gloomy part of the Administration's economic projections, there are proposed cutbacks in the Comprehensive Employment and Training Act (CETA) jobs and wide range of other employment-creating programs. By our estimates, the total direct effect of the cutbacks will be a loss of over one million jobs; many more jobs will be affected as the cutbacks reverberate throughout the economy.

In addition, the budget proposes abolition of the Economic Development Administration and a major cutback in Urban Development Action Grants activities. These programs have stimulated private sector investment in cities and created or retained thousands of jobs. The budget cuts will severely affect local governments' ability to form and maintain public-private partnerships, which have been so successful in recent years. Still, these and other such programs are scheduled to be cut or eliminated altogether in the Reagan budget.

The Conference of Mayors has long supported the principle of consolidating categorical programs into block grants with a corresponding reduction in federal mandates. We are concerned that the block grant proposals of the Administration will not simply be consolidated at the state level but will be designed with the active participation of Mayors. In addition, we are hopeful that the structure of these block grants will not ignore the considerable expertise which city halls have developed in administering social service, health and education programs.

There are many proposed reductions in urban programs and benefit programs which concern us. The cutbacks in these programs and their impact on cities are described in the following pages. Among our concerns are the following:

Proposed elimination of over 300,000 CETA public service jobs and over 400,000 employment and training opportunities for young people, through massive reductions in four different youth employment programs.

Proposed cuts of \$1.1 billion in FY82 mass transit capital grants, resulting in no funds for future rail starts and major reductions in the Urban Initiatives program and Interstate transfer grants.

Termination of all grant and loan activities of the Economic Development Administration in FY82, and major cuts in FY81, which will eliminate an important tool for cities to create and retain employment.

Proposed elimination of all funds for the Environmental Protection Agency's (EPA) Wastewater Treatment Construction Grant program, a cut of \$3.7 billion in FY82 and \$1.7 billion this year.

Substantial reductions in federally-assisted housing with \$5 billion in FY81 authority rescinded and overall FY82 levels \$10 billion lower than FY81 appropriations, resulting in a cut of 90,000 assisted units.

Major reductions in Small Business Administration Loan Programs, and termination of the Community Services Administration business development programs.

Slashes in the Food Stamps program, child nutrition programs, and the Special Supplemental Food Program (WIC)—cuts which will eliminate benefits for 400,000 Food Stamps households, 14.5 million children and 700,000 pregnant women and children.

Failure to request funds for the state share of general revenue sharing and elimination of a refundable tax credit which President Carter had requested to offset the burden of rising Social Security taxes on state and local governments.

Terminate nearly all Interior Department programs of benefit to cities, including the Urban Parks program, the Land and Water Conservation Fund and historic preservation funds.

Significant cuts in aid to state and local education systems as part of an overall restructuring of programs (including Title I of the Elementary and Secondary Education Act) into block grants as well as cuts in vocational education and impact aid, and the withdrawal of any funds for the education portion of the youth initiative proposed by the Carter Administration.

Cuts in airport construction grants, by eliminating all grants for the largest 36 airports.

Elimination of all criminal justice programs for state and local governments, with the elimination of the juvenile justice programs of the Office of Juvenile Justice and Delinquency Prevention, and failure to request any funds for the Law Enforcement Assistance Agency.

Abandonment of a 17-year commitment to provide direct funds to local agencies to stimulate community action and provide legal services to the poor through the Community Services Administration and the Legal Services Corporation.

Reduction in many health programs, including public health programs and Medicaid and a 25-percent cut in programs to be consolidated into the new health and social services block grants.

Cuts in the weatherization programs of the Department of Energy and a wide range of urban energy conservation programs, as well as elimination of funds for the Solar and Conservation Bank.

Major reductions in funds for Conrail, Amtrak, low-volume freight lines, and the Northeast Corridor Rail Program.

Clearly the U.S. Conference of Mayors is and ought to be concerned about these cuts. Reductions of this magnitude in urban programs threaten the redevelopment and viability of our cities and the economic well-being and health of city residents.

Yet, we are hopeful that the Congress will review the proposed budget and take action to achieve greater equity with respect to

cities and the poor. We know it will be a year of budget restraint and cutbacks, but the burdens of such cuts should not be borne disproportionately by any one group. We look forward to working with the Congress to formulate a budget which better meets the needs of our citizens.●

MILITARY AID TO EL SALVADOR SHOULD NOT BE CONTINUED

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. KILDEE. Mr. Speaker, I would like to voice my concern about the administration's decision to send military equipment and American military advisers to El Salvador.

Quite frankly, I think that such an action is sending the wrong signal and may lead to the escalation of violence there. It could make finding a moderate solution to the problems even more difficult.

I would point out that the violence in El Salvador has come from both the right and the left. There is strong evidence that elements of the military have been involved in the violence from the right. It is distressing to see one of the rightist leaders interpreting the provision of military aid as encouragement for a military coup.

It is also distressing to see credence given to the propaganda that anyone in El Salvador who calls for social and economic justice is a left-wing terrorist. It is personally offensive to me when right wing groups in the United States and El Salvador refer to Roman Catholic organizations as guerrilla operations. It was in the poorest of taste when one American group issued a press release implying that the murdered American nuns were advocates of violence and had ties with guerrilla organizations. As the example of Archbishop Romero should demonstrate, demands for social and economic justice are not synonymous with advocacy of violence. He was brutally assassinated during a church service in which his message was to condemn all violence.

By providing military assistance to El Salvador, we may very well be reinforcing elements in the military which have participated in the violence and have no commitment to democratic processes. Furthermore, by supporting the military we may be creating a self-fulfilling prophecy. By reinforcing those who are opposed to democratic change, we may be giving greater credibility to those who advocate violent change.●

EXTENSIONS OF REMARKS

THIRD WORLD DEBT IS OURS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. PAUL. Mr. Speaker, on Monday, March 9, the Chicago Sun Times published an article on the Monetary Control Act which this House passed last March 27. The article, entitled "Third World Debt Is Ours" is must reading for every Member who has been contacted by constituents angry over the cavalier way this body—and the other body, for that matter—passed this act last year.

The article is authored by the dean of the Walter Heller College at Roosevelt University in Chicago, Douglas Lamont. Dean Lamont points out that the Fed can mount a rescue operation of foreign governments under the terms of the Monetary Control Act. Consider the implications of this passage:

Once the Sudanese government [for example] guarantees its debts—that is, puts its sovereign responsibility behind all principal and interest owed, the Fed will purchase Sudan's bonds. Their debt becomes America's debt. Through this financial arrangement, the Fed will monetize Sudan's debt, add it to our own money supply, and breed more inflation. Throughout the third world, government officials are being shown America's new lender of last resort law by commercial bankers. * * * Once their \$500 billion in debt is monetized by the Fed—that is, brought into our money supply—we will have no hope of solving our inflation problems.

I urge the Members to read this article and then act to undo the damage we did last year when we passed the Monetary Control Act.

THIRD WORLD DEBT IS OURS

INTERNATIONAL BUSINESS

(By Douglas F. Lamont)

The poor countries of the world are dangerously close to involuntarily defaulting on their \$500 billion in debt to western banks and governments.

A reminder of this grim possibility can be found in a little noticed change in the Depository Institutions and Monetary Control Act of 1980. It also gives an important glimpse of how Americans will pick up the tab for these 100 poor countries so the world's financial system will be saved from a chain of bank failures.

Under the act, the Federal Reserve can purchase the debts of foreign governments, their semi-state agencies and their state enterprises. The Fed becomes the lender of last resort to countries that have temporary liquidity problems, such as Sudan and Brazil. It can mount a rescue operation of foreign governments to prevent them from going insolvent.

Sudan, for example, came the closest of any less-developed country to not paying interest on the \$450 million owed to western banks. For Americans, there are good foreign policy reasons to see that Sudan, a moderate, western-oriented country just

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north of communist Ethiopia on the strategic Red Sea, remains stable.

With the Russians setting up a naval base in the Dahlak Islands, a part of Ethiopia's troubled Eritrea province, the West must protect friendly countries from both political and economic subversion. A major confrontation could come between the Soviet Union and the United States over access to this region's resources.

But western reaction so far shows mainly a sensitivity to the financial issues and indicates little shift in perceptions about Sudan's economic future. Leading banks, including Citibank and Chemical Bank, agree to finance new loans totaling \$60 million subject to one important condition: Sudan must pay \$120 million in overdue interest before April 1. Where will it get the money?

Here's where the Depository Institutions and Monetary Control Act comes in. Once the Sudanese government guarantees its debts—that is, puts its sovereign responsibility behind all principal and interest owed, the Fed will purchase Sudan's bonds.

Their debt becomes America's debt. Through this financial arrangement, the Fed will monetize Sudan's debt, add it to our own money supply, and breed more inflation.

Throughout the third world, government officials are being shown America's new lender-of-last-resort law by commercial bankers. The 1980 Act is the new magic formula for saving these less-developed countries from recognizing that their post-colonial dreams of grandeur are failures.

Once their \$500 billion in debt is monetized by the Fed—that is, brought into our money supply—we will have no hope of solving our inflation problems. The signals from the Sudan and Brazil are grimmer than anyone in Washington has led us to believe.●

TERRORISM

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BRODHEAD. Mr. Speaker, I wish to share with my colleagues an editorial from the Detroit Jewish News on the timely and controversial subject of terrorism. This editorial focuses on the alleged relationship between the Soviet Union and the Palestine Liberation Organization, and points out that this relationship represents a threat not only to Israel, but to the peace and stability of the world as a whole. I commend it to the attention of all those who are concerned about the growing problem of terrorism:

[From the Detroit Jewish News, Mar. 13, 1981]

THE ROOTS OF TERRORISM

Without the support and encouragement provided by the Kremlin, the worst of all evils for mankind might never have reached its present stage of terror.

It has never been a secret and now it is becoming more explicitly evident that the chief support for the terrorists is provided by Russia.

It is becoming equally more evident that from Cuba have come the training forces for the PLO and for the forces of evil that are menacing Israel and other areas in the free world.

Media Analysis Center as just made public a chronological record of the USSR ties with the PLO and its chief leaders, notably Yasir Arafat, from June 19, 1977 to Jan. 8, 1981. It provides a list of 97 occurrences of Soviet relationship with the PLO, including many of the most horrifying acts of terrorism.

The Media Analysis Center provides these facts of the evil partnership:

1. This chronological record of USSR-PLO relations attests to the degree of intensity that marks the contacts between the two sides. Arafat visits Moscow often, as do other leaders of the Fatah and of other PLO groups, who either accompanying him or arrive in the USSR or its satellites on their own. Nor is this the only form of ties between the PLO and the USSR; as the survey shows, the Soviet embassy in Beirut is in constant touch with the PLO hierarchy.

2. The high frequency of these contacts and their complex nature on the various planes—against the backdrop of the PLO's relatively low weight on the inter-Arab strategic plane—throw light on the vitality of the connection (for the PLO) with the USSR in order to form a firm image in the eyes of the Arab leaders and of the West.

3. The frequency and complexity of the contacts show also that the PLO is aware of the fact that its essence and the nature of its aspirations are consistent with the essence of the USSR's interests in the Mideast (outside the realm of the Arab-Israeli conflict), whereas they conflict with those of the U.S.

4. The nature of the relations between the PLO and the USSR explains the organization's standing as a means (one of many) in the hands of the USSR (which is an irreplaceable support for the PLO) which uses it to promote its objectives in the region: agitation, harming the conservative and pro-Western regimes that control the oil sources, and undermining the Western strategic interests.

5. With the start of the peace contacts between Israel and Egypt, as the PLO joined the pro-Soviet "rejection front," Soviet support for the PLO increased. This enhanced support stems from Moscow's assumption that the PLO—together with more important radical Arab elements in the Mideast—can serve as a means to torpedo Western moves and achievements. Against this backdrop stands the USSR's readiness to supply military equipment to the PLO and to train the terrorists to operate the equipment can be understood. However, the nature of the relations between them also points up why Moscow is not ready to supply the organization with military equipment in a quantity and quality that would increase its freedom of maneuver.

6. The PLO's activity under the baton of the USSR (and of Syria) aimed at undermining the West's standing in the Middle East is not confined only to the plane of the war against Israel, but characterizes also its support for the Soviet invasion of Muslim Afghanistan—as it lines up in one camp together with the radical and anti-Western states of Syria, Libya, South Yemen and Ethiopia. This irregular stand of the PLO—in relation to the stand of most other Arab states—is consistent with the position

adopted by the organization's representative in the Islamic foreign ministers' conference in Dakar, when it defended the USSR against the charge that it had intervened in Africa's internal affairs (Al Ahram, July 11, 1978). Arafat demonstrated another divergent pro-Soviet position when he met on July 4, 1978 with a South Yemen minister in a period when Arab leaders tended to keep their distance from South Yemen, which has colluded with the USSR in an effort to take over Muslim Eritrea (which is so vital to the Western strategic interests in the Red Sea). The organization's involvement in Iran is also coordinated with the USSR, to the point where its closeness to the leftist circles there has caused friction between it and Khomeini and Bani-Sadr (the Economist Foreign Report writes on May 16, 1979 that the USSR is transferring arms to the Iranian left through the PLO).

7. One of the conclusions to be drawn from the above, and from the survey, is that the life expectancy of the USSR-PLO connection does not stem from (nor is it connected with) any temporary policy of the organization or of the USSR, but is a long-term outgrowth of the fundamental substance and ambitions of the two partners.

8. The intensity and complexity of the USSR-PLO connection refutes the Western illusion that to give this organization a state would sever it from Moscow. In contrast to other organizations in Africa and Asia which did not resort to Soviet aid after they realized their immediate goal (independence from unacceptable local or Western rule) and subsequently turned to a certain cooperation with the West; the PLO's essence, the essence of its aspirations, its relatively small weight in the inter-Arab power struggles, and the power struggles and rifts that characterize its organizational structure—all these show why the PLO needs the USSR's closeness, and why the USSR regards any connection with it as a secured long-term investment.

It becomes increasingly clear that the Soviet aid gives comfort to the terrorism, that it is a menace to the world and to the Arabs as well.

An official PLO admission has just confirmed these charges. The admission is that hundreds of Palestinians have graduated from the Soviet Military Academy.

"Scores and hundreds of Palestinian officers eligible to command major sectors such as brigades have graduated from soviet military academies," Brigadier Mohammed Ibrahim al-Shaier, head of the PLO's Moscow office, revealed in a lecture in Beirut and published in Beirut newspapers. He said there are also some 2,000 Palestinians studying in Soviet schools and the PLO received 300 scholarships a year, mostly for scientific and technical studies.

"During PLO chief Yasir Arafat's visit to Moscow last year agreement had been reached on Soviet-Palestinian coordination 'in all matters of joint interest,' Shaier said. There have been recurring reports that the USSR has been training Palestinians."

The exposed facts now emerge as an official record. The menace is appalling. This is no longer an issue affecting Israel's security. It is also an admonition to the world to act for a halt to such actions. If permitted to continue, the peace of the entire world will be at stake. ●

THE WRAPAROUND LOAN—A GOOD DEVICE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. PICKLE. Mr. Speaker, over the years, one mortgage banker in my community of Austin, Tex., has had the patience to discuss with me how mortgage bankers help finance housing. His name is Hugh Higgins, and I have been impressed with his far-looking concepts of how to have the private sector handle much of our housing needs.

In recent days, I saw an article in the MortgageBanker magazine written by Hugh Higgins, along with a professor from DePaul University, Mr. Richard T. Garrigan. The article makes it clear that the lender can make good money off a wraparound loan. But the figures are clear—the homeowner can make a better deal too.

Our regulatory agencies are pondering how to handle wraparounds in several instances. I think that this is a good article for them to review in making those decisions.

I insert Hugh Higgins' article in the CONGRESSIONAL RECORD at this point:

WRAPAROUND LOANS

(By Richard T. Garrigan and Hugh K. Higgins, Jr.)

The recent turbulent interest rate environment has created unprecedented asset and liability management problems for members of the mortgage lending community. High interest rates combined with efforts by the savings and loan industry to shift much of the interest rate risk to the consumer, however, are creating significant opportunities for those mortgage bankers who service FHA and VA mortgage loan portfolios.

Before considering the financial attributes of conventional, single-family wrap-around mortgage loans, some background information on both the scope of the opportunity and the basic characteristics of wrap-around loans is necessary. Table 1 shows the dollar amount of FHA and VA one-to-four family mortgage loan originations for the years 1974 through 1978. These years were selected for consideration for two reasons: first, the remaining term for loans having an original amortization term of 30 years would range from 23 to 28 years; second, while the maximum allowable interest rate for loans originated during these years was adjusted seventeen times, the rates during this five-year period ranged from a low of 8 percent to a high of 9½ percent.

TABLE 1.—MAXIMUM ALLOWABLE INTEREST RATES AND AMOUNT OF FHA AND VA 1-TO-4 FAMILY MORTGAGE LOAN ORIGINATIONS BY YEAR FOR THE YEARS 1974-78

(Dollar amounts in millions)

Year	Maximum allowable interest rates in effect	FHA	VA	Total
1974.....	8½, 8½, 8½, 9, 9½.....	\$4,532	\$7,889	\$12,421
1975.....	8, 8½, 9.....	6,265	8,836	15,101
1976.....	8, 8½, 8½, 9.....	6,998	10,426	17,424
1977.....	8, 8½.....	10,469	14,882	25,351

TABLE 1.—MAXIMUM ALLOWABLE INTEREST RATES AND AMOUNT OF FHA AND VA 1-TO-4 FAMILY MORTGAGE LOAN ORIGINATIONS BY YEAR FOR THE YEARS 1974-78—Continued

(Dollar amounts in millions)				
Year	Maximum allowable interest rates in effect	FHA	VA	Total
1978	8½, 8¾, 9, 9½	14,581	16,026	30,607
Total		42,845	58,059	100,904

Source: U.S. Department of Housing and Urban Development.

As revealed in this table, the greatest spread in maximum allowable interest rates during any one year occurred in 1974, which had a low of 8½ percent and a high of 9½ percent. During both 1975 and 1976, the range was from 8 to 9 percent. In 1977, the two rates in effect were 8 and 8½ percent, while in 1978, the rates ranged from 8½ to 9½ percent. Further examination of this table shows that the level of VA originations exceeded those for FHA during each of the five years. Of greater importance, however, the combined value for total originations increased from \$12.4 billion in 1974 to \$30.6 billion in 1978. The steady increases in originations during 1975 and 1976 were overshadowed by the sharp increase to \$25.3 billion in 1977. While survival rates for these mortgages are not available, given the time frames involved, the bulk of these mortgage loans remain outstanding.

The wrap-around mortgage loan is a junior mortgage lien having as its principal balance the sum of 1) the balance outstanding on an existing first mortgage loan, and 2) the additional funds advanced by the wrap-around mortgage lender. Under a wrap-around loan, the borrower pays debt service payments to the wrap-around lender on the entire debt, and the wrap-around lender agrees to make debt service payments on the underlying debt, but only to the extent that it receives such payments from the borrower. In the hypothetical case given here, the borrower is a buyer of a single-family residence on which there is an existing FHA 203(b) loan, while the wrap-around lender originating the loan is a mortgage banker who is servicing the existing mortgage debt. The wrap-around loan is attractive to the borrower because it is a fixed-rate, level-payment, long-term mortgage loan whose interest rate is less than would be required in typical financing. Although it is a second lien, the loan does not contain either a balloon payment provision or a "Rule of 78" prepayment penalty clause. On the other hand, it is attractive to both the mortgage loan originator and a permanent investor because of its income generating characteristics.

STRUCTURING A WRAPAROUND

Just how a properly structured wrap-around loan can produce both a lower relative cost to the borrower and a higher return to the lender is clarified in Table 2. This table presents the basic assumptions for a hypothetical wrap-around loan. These assumptions depict an existing FHA 230(b) loan carrying an 8.5 percent interest rate. Following three years of monthly debt service payments of \$371.39, the original loan amount of \$48,300 has been amortized to \$47,104.74. The property is sold for \$67,000 at this point with the buyer being financed through a high-ratio conventional wrap-around of \$61,200 bearing an interest rate of 11 percent. The \$591.78 monthly payments on the wrap-around loan will permit its am-

ortization over a term that is identical to the 27 year term remaining on the FHA loan. It is important to note that while the gross loan amount is \$61,200, given the \$47,104.74 FHA loan remaining outstanding, the net investment by the wrap-around mortgage lender is \$14,095.26.

TABLE 2

Property Cost in 1977	\$50,336.
Existing FHA 203(b) first mortgage loan:	
Original amount	\$48,300.
Amortized balance	\$47,104.74.
Original amortization term	30 yrs (360 mos).
Remaining amortization term	27 yrs (324 mos).
Interest rate	8.5 percent.
Monthly debt service	\$371.39.
Servicing fee	44 percent.
Property sale price in 1980	\$67,000.
Conventional wrap-around mortgage loan:	
Amount	\$61,200.
Amortization term	27 yrs (324 mos).
Interest rate	11 percent.
Monthly debt service	\$591.78.
Servicing fee	0.375 percent.
Net investment	\$14,095.26.

Based on these assumptions, the financial flows for the first month of the wrap-around loan are shown in Table 3. The first part of the table simply presents the breakdown between interest and debt amortization for both the wrap-around and the FHA mortgage loans. The next item shown is the \$208.21 net interest earned on the wrap-around loan during the first month. When this amount is divided by the \$14,095.26 net investment and multiplied by 12, a high 17.72 percent annual return on investment is derived. Thus, while the borrower is paying an interest rate of 11 percent, the retention of the existing 8.5 percent FHA loan permits the wrap-around lender to achieve a leveraged return of just under 18 percent. This financial leverage and the high return it produces will continue to exist for the life of the wrap-around loan. Some variation in monthly yields will occur, however, because of differences in the level of amortization for the existing and wrap-around loans.

TABLE 3.—WRAPAROUND MORTGAGE LOAN FINANCIAL FLOWS FOR THE MONTH

Wraparound loan:	
Debt service payment	\$591.78
Less: Debt amortization portion	30.78
Interest received	561.00
Existing FHA loan:	
Debt service payment	371.39
Less: Debt amortization portion	37.73
Interest paid	333.66
Net interest earned:	
Interest received	561.00
Less: Interest paid	333.66
Servicing fee	19.13
Interest earned	208.21

Yield on net funds advanced: $(\$208.21 \div \$14,095.26) \times 12 = 17.72$ percent.

MORTGAGE BANKER'S PERSPECTIVE

The development of a conventional wrap-around mortgage loan program by a mortgage banker offers many potential advantages. First, the opportunity exists for the mortgage banker to be a very competitive (perhaps the most competitive) source of fixed-rate mortgage financing in those cases where qualifying existing FHA or VA mortgages exist. Origination fee income and discount points will generally be based on the gross amount of the wrap-around loan. The potential impact upon servicing income is dramatic. Given the harsh realities of the marketplace, when a home financed through an existing FHA or VA mortgage is

listed for sale, chances are that the mortgage banker servicing the loan will not be the source of financing for the new loan. Were a wrap-around lending program in place, the mortgage banker would not only stand a good chance of retaining the servicing fee on the existing loan but would also derive an equal or possibly larger servicing fee on the wrap-around loan. For example, during the first year of the hypothetical wrap-around loan's existence, the servicing income of the FHA loan (assuming a .44 percent GNMA pool fee) would be \$206.33. Were the wrap-around loan to provide for a .375 percent servicing fee, additional income of \$228.88 would result. Therefore, the benefit to the mortgage banker during the 12 months following the wrap-around loan's origination is the difference between zero income and \$435.21. Each mortgage banker can readily estimate the annual number of targeted loans required to achieve a significant level of income from an active wrap-around loan program.

A substantial increase in income generally would entail very limited added servicing costs. Given a reasonable number of wrap-around loans, the accounting system requirements are not an impediment. In addition to maintaining the existing impound accounts, the mortgage banker would establish one for private mortgage insurance. The only other requirement would be to establish an account for the wrap-around loan's permanent investor.

So much for the good loans, but what of servicing costs for defaulted loans? In this case, there is obviously a need to mesh the servicing requirements of the private mortgage lender with those of the FHA or VA. The government-insured or guaranteed mortgage servicing requirements, of course, are quite demanding. For this reason, the approach taken in this article is that the lender originating the mortgage loan is the same lender who is servicing the underlying FHA or VA loan. Potential problems concern the distribution of partial payments, the need for a decision on the part of the permanent investor (and possibly the private mortgage insurer) on whether to keep the underlying loan current, and the requirement by the private mortgage insurer that the lender be in a position to tender good and merchantable title before a private mortgage insurance claim is paid. The mortgage banker establishing a conventional wrap-around mortgage loan program, must, therefore, have policies and procedures in place so that the servicing requirements for wrap-around loans can be effectively met.

One further point deserves mention. In offering these loans to prospective borrowers, the mortgage banker must deal with the fact that two insurance premiums will have to be paid in the case of an existing FHA loan. As an ongoing expense incurred by a borrower, the combined cost of these premiums will be something more than 0.5 percent but less than 0.65 percent. This expense should be considered in establishing interest rates for individual loans. Obviously, in the case of existing VA loans, only the cost of private mortgage insurance need be considered.

PERMANENT INVESTOR'S PERSPECTIVE

The permanent investor will be one who perceives the unique risk/reward characteristics of conventional wrap-around loans insured through private mortgage insurance. Among qualifying investors are federally-chartered savings and loan associations

whose regulations essentially treat wrap-around loans as if they were first mortgage liens. At the other end of the spectrum, pension funds are decidedly a potential source of funds.* Both FNMA and FHLMC are excluded for the specific type of second mortgage financing described here.

In structuring these loans, the mortgage banker should be sensitive to the fact that the high yields are partially a function of the wrap-around mortgage's second lien status. And while the potential rates of return are sufficiently high enough to justify funding fixed-rate investments, the issue of risk of loss of principal should be faced head on. To facilitate the sale of these loans, it is recommended that suitable levels of private mortgage insurance be obtained so that the net investment is at all times protected against risk of loss. Thus, in addition to yield considerations, the amount of net investment should be based on strict standards as to loss exposure. These standards, in turn, are to be based upon the anticipated claim levels likely to be submitted to a private mortgage insurer in the case of defaulted loans. Through proper structuring, the net investment on these loans can be fully insured against loss of principal.

CONCLUSIONS

The overriding point of this article has been to demonstrate that billions of dollars of potential value exist in FHA and VA mortgages because of their low interest rates and "assumable" natures. In general, sellers of homes whose properties are financed with such mortgages would prefer receiving cash for their equities as opposed to selling through land contracts or making seller-financed second mortgage financing available. What many sellers do not fully realize, however, is that their below-market rate FHA or VA loans, while technically liabilities, are in reality assets of considerable value. Wrap-around loans can permit home sellers to tap these values because the lower-cost, fixed-rate financing will permit more prospective buyers to qualify as purchasers, leading to more rapid sales at generally higher prices.

Mortgage bankers have much to gain by meeting this inherent demand for equity financing. The resulting image from the setting up of a conventional wrap-around program is that of a progressive, innovative, consumer-oriented lender. And best of all, the mortgage banker can significantly enhance the value of its servicing portfolio.●

FEDERAL SUPPORT OF SEX EDUCATION PROGRAMS FOR TEENAGERS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. WEISS. Mr. Speaker, I believe it imperative for the Congress to confront the needless hardship we will impose upon millions of young people if we follow the administration and eliminate funds for sex education and contraception for teenagers. A report

* A discussion of the role of pension funds as permanent investors appears in Richard T. Garrigan's article "Opportunities For Pension Funds in Wrap-around Loans," Real Estate Review, IX (Winter 1980), pp. 30-37.

released this week by the Alan Guttmacher Institute indicated that if current trends continue:

*** 4 in 10 of today's 14-year-old girls will have at least 1 pregnancy, 2 in 10 will have at least 1 birth, and more than 1 in 7 will have at least 1 abortion while still in their teens—despite the fact that the great majority of teen pregnancies are unwanted by the teenagers themselves.

Unless young people are given detailed information about sex and contraception before they are sexually active, they will continue to have increasing numbers of pregnancies, out-of-wedlock births, and abortions. Federal funds for sex education programs are critically needed in the effort to curb what has been termed "the epidemic of teenage pregnancy." The following article, written by Carol Bellamy, president of the New York City Council, appeared in the Washington Post and provides an excellent overview of this problem and compelling reasons for continued Federal support:

THE PERFECT PROGRAM NOT TO CUT

The budget thunder out of Washington these days finds many people running for cover, carrying their favorite programs, like valued possessions, to higher ground in the hope that the coming flood won't wash them away. Most are running scared and confused with no coherent resistance, no principled opposition. The New Deal's out, austerity's in, and woe to those who dally while the budget-cutters sharpen the ax.

For once, New York City may be in a position to offer some advice on budgets; we certainly know a thing or two about how to cut them. And we have learned a lesson: When it comes to cutting the budget, you need the skill of a neurosurgeon, not the sweep of the butcher. Unless cuts are carefully crafted, they may result in greater costs down the road. Simply stated, we have found that an ounce of prevention is worth a pound of cure.

So far, the Reagan administration has not heeded this valuable lesson. One of the most flagrant examples of misguided budget-slashing came recently from Human Services Secretary Richard Schweiker, who called for the elimination of federal funding of sex education and contraception for teenagers, thus ignoring social reality. Teen-age pregnancy is epidemic throughout America; last year in New York City alone, 14,259 teen-agers gave birth. What happens to these mothers? If they survive childbirth, when their chances of dying are 60 percent greater than for women in their 20s, almost three out of every four (72 percent) will end up on welfare. In New York City alone, the yearly welfare costs for these new teen-age mothers is \$39 million.

The tragedy is even more dramatic in human terms. Many of these children are inadequately cared for or are abused and end up in foster care, where they languish for years. When child abuse occurs, not only the direct perpetrator will be responsible. So will all of those who remove the thin preventive safety net that now exists for at least some of these teen-agers. Does it make any sense to eliminate the marginal expense of current sex education and contraception programs? Does anyone really believe that prevention isn't the wisest course here?

One wants to give the Reagan administration the benefit of the doubt. But one fears

there may be a method in its madness—perhaps this budget-cutting isn't so blind after all. Remember the campaign, and all the Moral Majority-inspired talk about the "decline of the family"? Sex education and contraception, it seems, threaten the family's hegemony and must be stamped out.

If necessary, we can remind the Reagan administration that the challenge for government policymakers today is to mount a concerted response to the tremendous behavioral changes that are redefining the American family. Today, 58 percent of all husband-wife families have two or more wage earners, 32 percent of married couples have no children living at home and one out of seven families is headed by a single parent. It is estimated that more than one-half of the country's 21 million teen-agers over 15, and approximately one-fifth of those under 15, are sexually active.

Withholding information about birth control will not preserve the family. President Reagan would better serve us all by recognizing the changes now taking place in the nature of the family unit and confronting the challenges of the future, rather than looking back to a past that no longer exists.●

BLUEPRINT FOR A HOUSE THAT WORKS: PART III

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. LOTT. Mr. Speaker, last December the President's Commission for a National Agenda for the Eighties released its final report, "A National Agenda for the Eighties." Chapter 5 of that report, entitled "Democracy, Politics, and Institutions in the Eighties," contains an incisive analysis of the current fragmented nature of our Government and thus the difficulty in reconciling competing demands made on the system and in making coherent national policy.

We need look no further than our own House for one of the primary sources of this fragmentation problem that threatens to paralyze our system. As the Commission report notes, our committee jurisdictions are tangled, overlapping, and duplicative, and the multiple referral of bills only exacerbates this problem. The proliferation of subcommittees has further added to the confusion and delay. Finally, our oversight of Federal agencies and programs is uncoordinated, irregular, and lacking in clear priorities.

To address this problem of fragmentation in the legislative branch, the Commission has recommended a reduction in the number of subcommittees, realigning committee jurisdictions by function, greater use of ad hoc legislative committees, limiting the multiple referral of bills, and strengthening our oversight and budget processes.

Mr. Speaker, I find myself in agreement with the critique and recommendations of the President's Commission

with respect to the Congress. In fact, my own package of committee improvement amendments, House Resolution 100, closely parallels the recommendations of the President's Commission. My House rules amendments would limit all committees, except appropriations, to no more than six subcommittees, and all Members to no more than four subcommittee assignments; they would eliminate the joint referral of bills while retaining split and sequential referrals; and they would establish a procedure for a more formal consideration and adoption of committee oversight agendas at the beginning of each Congress. Moreover, to further strengthen our committee system, my amendments would require majority quorums for the transaction of business, eliminate proxy voting, require equitable party ratios on committees, and provide for adoption of an overall committee staff ceiling resolution at the beginning of each year.

I am currently circulating for co-sponsors of House Resolution 100, which I will reintroduce on April 15, and invite my colleagues to join me on this blueprint for a House that works. A more detailed explanation and the text of my resolution can be found in the March 4 CONGRESSIONAL RECORD at page 3545.

At this point in the RECORD, Mr. Speaker, I include the pertinent portions from chapter 5 of the Commission report, and commend it to the reading of my colleagues. Excerpts from the chapter follow:

[From "A National Agenda for the Eighties," the report of the President's Commission for a National Agenda for the Eighties, December 1980]

CHAPTER 5—DEMOCRACY, POLITICS, AND INSTITUTIONS IN THE EIGHTIES

The Problem of Fragmentation. No society has been able to pursue all of its goals simultaneously, but the establishment of priorities for the United States in the Eighties will be difficult for several reasons. First, the organization and procedures of our institutions make it increasingly difficult for our political leaders to select among hard choices. Second, our people are (with some reason) cynical about the capacity and good judgment of the government and may resist the attempts of leaders to pursue some goals at the expense of others. Finally, the federal government is involved in more aspects of people's lives than ever before, and so there are more opportunities for the public to be disappointed by the government's performance.

An example of the difficulty our national institutions have had in making coherent national policy is in the field of welfare reform. As Chapter 4 points out, the United States has not one but at least five different types of government welfare programs: government aid to members of the poor, government provision of minimum standards, government insurance against loss of income, government aid for purchasing essentials, and government provision of opportunity.

Of course, a multiplicity of approaches need not be bad. A diverse population may require flexibility in bringing welfare to its

people. But many critics agree that we have not too much flexibility but too little. The nature of our political process locks us into anachronistic approaches to welfare which limit the nation's ability to deal with modern problems; our social welfare system is a collection of uncoordinated programs, passed on an ad hoc, program-by-program basis. There is widespread agreement that the programs are too profuse and too complex to serve average citizens well. The programs are also criticized because they are marred by inefficiencies, they contain strong work disincentives, and they are increasingly costly.

There are two major reasons for the inability to reform the welfare system: (1) the presence of "iron triangles" or "subgovernments"—informal alliances of organized interest groups, executive agencies, and Congressional committees; and (2) the fragmented organization of Congress and the executive branch. Comprehensive welfare reform has been stymied by the presence of the iron triangles because such alliances are committed to the support of existing programs. More ambitious proposals failed in part because some of the client groups felt that they would not fare as well under new as under existing programs. Over the years Congressional committee members have also developed loyalties to, and built reputations upon, particular programs. The decentralized committee structures have helped to lock legislators into a program-by-program view of social policy. Consequently, representatives have been reluctant to de-emphasize these programs in favor of a more comprehensive approach. And, of course, the same commitment to particular programs and clients also characterizes policymakers in the executive branch.

Comprehensive reform has also been difficult to accomplish because of the fragmented organizations of Congress and the executive branch. The complexity of the income security system is inherent in the very structure of the federal Congressional committee system and executive branch. It is estimated that 119 Congressional committees and subcommittees and 17 departments and agencies have some jurisdiction over the welfare system. This situation is exacerbated by the large number of state, county, and municipal government units which share program policymaking, funding, and administrative roles.

This section suggests several strategies for improving national policymaking: strengthening the parties, reforming federal elections, and improving the organization and procedures in Congress and in the executive branch. Putting into effect any of the proposed methods to restore substantial economic growth, or securing the passage of policies for energy conservation and development, welfare, or health, will require stable, coherent, decisive political leadership in government. The President, our only nationally elected leader, is still the person to whom groups turn when their demands are not satisfied elsewhere. But coherent and long-term leadership will, in turn, only become possible in our democracy through the creation of working political majorities—in the parties, in the Congress, in the executive branch, and among the levels of government in the nation at large.

There is a widespread belief that in recent years society has become increasingly fragmented and government increasingly bogged down. We are well aware that correcting this situation requires great subtlety. The line between paralysis of action and

tyranny of the majority is much finer than one might think. Great care has to be taken to ensure that in bringing about working majorities, the rights of minorities are fully protected and that Congress, the President, and the political parties are all held accountable for their actions.

Much of the current difficulty in reconciling competing demands can be traced to the transformation of our political parties. In recent years our parties have become so weakened that they have considerable difficulty in carrying out their functions as a medium for compromise. Public support of the two major parties has declined seriously since the mid-1960s. In interviews, fewer adults say that they have strong confidence in the parties. The proportion of citizens of voting age who identify themselves as strong Democrats or strong Republicans has declined, and a larger proportion view themselves as independents. The amount of split-ticket voting has increased.

Unfortunately, even though the national parties have less support among the electorate, nothing else has arisen to replace them as a means of achieving compromise among the conflicting demands of citizens and as a link between citizens and elected officials. There has been a proliferation of interest groups, which can perform some, but not all, of the functions of parties. Such groups are quite valuable in communicating the needs of their members to elected officials. They are also increasingly effective (through grassroots organizing and through their Political Action Committees) at rewarding some officials and punishing others. The one feature of parties that is not shared by these groups is the capacity to reconcile competing interests and to compromise for the good of the nation as a whole.

The parties no longer have the central role they once had in the selection of candidates, either for the Presidency or the Congress. For the Presidency, a multitude of primaries, dominated by media events, has replaced party officials in the selection of nominees. In Congressional campaigns, parties have an even smaller influence on the selection of candidates. Candidates depend on ad hoc reelection committees, committed primarily to their elections, and on the organizational and fundraising abilities of organized interest groups.

The way in which candidates are recruited has made incumbents independent of the parties for their elections. This independence raises serious questions about the ability of Presidents to get unpopular measures passed, even within their own parties. Of course, every President is better able to influence public opinion than the Representatives and Senators are; every President has a "bully pulpit" which is not available to individual members of Congress. Unfortunately, the power to exhort the public is not usually sufficient to get an administration's program passed, because the members of Congress know that their futures are determined independently of the President's.

Incumbents are not judged on the basis of how well the system as a whole operates, but on how well they are able to explain their individual acts. There is an unfortunate tendency for Presidents to blame "nothing" Congresses, for Congress to blame "inefficient" bureaucracies. The point is not that our institutions are blameless, but that it is too easy for individuals to escape responsibility for how well the entire government works.

Particularly in Congress, the tendency to deny responsibility for how well the system as a whole works makes it easier for lawmakers to ignore the cumulative consequences of individual decisions. Many observers believe that our present system of policymaking favors policies that distribute tangible benefits, such as large construction projects, to a relatively large number of Congressional districts because such policies are attractive to members of Congress eager "to bring home the bacon." There is a tendency for members of Congress to vote for individual programs without thinking of the long-term cumulative consequences. There has been some progress in reconciling specific programs with overall goals since the formation of the Congressional budget process, but the political process is still not very effective at producing long-term, decisive policy, particularly in areas where the social and economic impacts and consequences of such policy are destined to work to the advantage of some and the corresponding disadvantage of others.

The widespread public perception that our institutions are not working effectively is reflected in increased cynicism and declining participation in traditional forms of political activity. Over the past two decades, the number of people who vote in national elections has dropped substantially at the same time that public disaffection with the government has grown. Several public opinion surveys since the mid-1960s have attempted to analyze citizens' belief in the responsiveness of government to the public. These surveys have shown that between the mid-1960s and the late 1970s the percentage of people who showed disaffection from government almost doubled, from 31 percent in 1964 to 60 percent in 1976.

Much of this disaffection is doubtless a consequence of the changing role of government in the past 50 years—government is involved in more activities than before, so that there are more opportunities for public dissatisfaction to arise. More people are also putting more demands on government than before, and so there is also the potential for alienation when their demands are not met. But some public alienation surely reflects the widespread belief among citizens that the government has responded inadequately to such troublesome problems as energy, inflation, and international economic competition.

Although the focus here is on the performance of our national institutions, individual citizens should also be encouraged to participate in political life. As the Quality of Life Panel points out in its report, unless there is also improved individual participation in the political process and understanding of issues, necessary broad public support for difficult policies (e.g., on energy) simply will not emerge. Encouragement of individual participation in citizenship activities is also needed, for the sake of the citizens themselves and their communities, as well as for the well-being of the nation as a whole.

The Coalition-Building Approach. Our recommendations are aimed at both public and political institutions. The urgent need for strong, reflective leadership does not, however, justify a major overhaul of the Constitution. There is a heavy burden of proof on proponents of Constitutional change to show that the asserted benefits clearly outweigh the unforeseen costs of changing a Constitution that has worked well for so long. The case in favor of Constitutional change is not strong enough to war-

rant the risks and unintended consequences that it would bring. In the past 50 years, American political institutions and democratic processes have served us remarkably well through a world depression and war, ongoing acrimonious international rivalry with the USSR, the civil disorders of the Sixties, and the major political crisis of Watergate. Our government has often displayed wisdom, resilience, courage, and, perhaps most important, long-term vision and foresight in projects such as the Marshall Plan of 1948.

Changes in our political institutions must also be based on sensitivity to the needs of many different groups, coupled with a commitment to the protection of minority rights. On many serious issues, there is a legitimate commonality of interests among diverse groups. It is important that the process of building coalitions focus on discovering where the shared interests lie on specific issues and on enlarging the base of support for policy alternatives among a broad range of groups. Our goal is to encourage the development of majorities on some of the most vital yet particularly troubling issues of the times. Such majorities could encourage the Congress and the executive branch to take more effective action on specific issues.

Thus, a degree of reform of American political institutions is needed, not in the expectation that any such mechanical correctives will of themselves give birth to more accountable and efficient two-party government, but in the more modest hope that certain changes will reduce some of the current procedural and structural impediments to coalition building.

Congress. Strengthening the parties will not by itself greatly improve the capacity of Congress to make difficult decisions. Because of its decentralized structure, Congress has great difficulty in dealing with important issues decisively and with dispatch. Recent changes in the seniority system have diffused power among a greater number of members of the House of Representatives, yet such dispersal has, in turn, sometimes made action even more difficult to take. For different reasons, the number of Congressional subcommittees has proliferated, and each subcommittee carries significant authority in its domain to delay or block legislation. The problem is not that Congress consistently makes bad decisions, but that sometimes decisions are unduly delayed. Congress should make an effort to reduce the number of subcommittees—particularly the number of those with legislative responsibility.

There was a variety of proposals for reorganization at the committee level during the Seventies, but only minor changes have occurred. The Senate proved more willing to reorganize itself than did the House, but it still suffers from an unwieldy structure. It is sometimes difficult to obtain agreement on a policy or a piece of legislation because so many decisionmakers are involved. Moving in the direction of greater organization by function could yield a more effective organization and would also more closely parallel the organization of the executive branch, thus making the task of oversight easier.

In the absence of committee reorganization (which may simply prove too difficult to obtain), it is important that party leaders and caucuses continue to experiment with other means of strengthening party discipline and unity. Mechanisms for ensuring that subcommittees and committees are accountable to party leaders might, for exam-

ple, include greater use of ad hoc committees, such as the House Ad Hoc Committee on Energy, to shortcut unwieldy or unresponsive committees. Another means for ensuring that timely decisions are made would be to give party leaders the power to set time limits as part of the process of multiple referral of bills. Presently, it is too easy for a single committee to delay important legislation. This is to say that there should not be multiple referrals of legislation—different committees can often bring valuable different perspectives to a piece of legislation—but we need to ensure that decisions are made in a timely fashion.

Finally, two of the most important Congressional tasks are overseeing the administration of the executive branch and allocating the federal budget. In these areas, it is not essential that working majorities emerge so that decisions can be reached. Congress has shown concern for improving its oversight, but there remains room for improvement, notably through closer coordination of oversight functions among committees with overlapping jurisdictions and through the establishment of oversight priorities that would ensure the systematic and regular review of all agencies. The creation of the House and Senate Budget Committees, the Congressional Budget Office, and the use of procedures to reconcile separate appropriations with an overall budget ceiling have helped Congress' ability to control the budget. Congress should, however, initiate at least biennial appropriations (instead of the current practice of yearly allocations) to allow for a more thorough Congressional review of programs and to enable agencies to improve their planning processes. ●

DISSENTING VIEWS OF RON PAUL

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. PAUL. Mr. Speaker, I would like to call the attention of my colleagues to the dissenting views which I have filed to the House Banking Committee's semiannual report on monetary policy.

I had hoped that a new administration would lead to a new policy at the Federal Reserve, a policy that would eliminate inflation, record interest rates, and the growing threat of recession and unemployment, but my hopes have been dashed. The Fed has indicated that it intends to continue the same disastrous programs it began last year.

As an alternative I have proposed a three-point program to end inflation and to put us on the road to a sound monetary system. The program is very simple, and it could easily be put into effect, if there were the will, either at the Fed or in the Congress, to do so.

First, the Fed should freeze reserve requirements at their present levels. Lowering the requirements will cause inflation; raising the requirements will cause deflation.

Second, the Fed should cease all buying and selling of securities. Buying securities is inflationary; selling securities is deflationary.

Third, the Fed should close the discount window. Making direct loans from the Fed to depository institutions, whether the loans be at market, below market, or above market rates.

If we are to return to a free society, we must end Government intervention in the economy, particularly the most sensitive part of the economy, the monetary and credit systems.

DISSENTING VIEWS OF RON PAUL

During 1980, we witnessed—and suffered from—the complete failure of monetary policy at the Federal Reserve. For years, the Fed had been focussing on interest rates as the guide to what it should do, and the Fed suffered scathing criticism from the Monetarists for doing so. What the Fed should do, said the Monetarists, is to forget interest rates and concentrate on M growth. The dean of the Monetarist school, Milton Friedman, preferred M₂ as the correct barometer, but other Monetarists insisted that any M would do, since they all move virtually in unison.

On October 6, 1979, the new Chairman of the Federal Reserve Board of Governors, Paul Volcker, announced the Fed's conversion to Monetarism, and stated that henceforth the Fed would be targeting M growth rather than interest rates. The result has been, in Jude Wanninski's phrase, a "gyrating standard." The more the Fed "intervenes to attempt to hit its targets, the more the gyrations, the less the unit of account is worth to the exchange economy. It is as if the Bureau of Weights and Measures, in attempting to maintain the yardstick as standard of measure, erred in the morning and came up with 35 inches, then shot for 37 in the afternoon so the average would come to 36."

We have now seen the horrendous results of this policy, and even Milton Friedman announced that he had changed his mind in the Wall Street Journal for January 30, 1981. He now proposes that the Fed control the monetary base directly, for "the base consists of the Fed's own liabilities, on which it has accurate day-to-day figures." Epistemology has always been a weak point in the Monetarist system, and it now appears that at least one of the Monetarists has begun to realize the importance of a sound epistemology.

Fortunately or unfortunately, there is always a lag between the latest fashion in academic economics and the monetary policy adopted by the government. The Monetarists are changing their minds, but we here in Congress are still trying to make a policy work that brought us stupendous M growth in the five months preceding the election; record prime, mortgage, and Treasury bill rates; and a sense of irrationality in the whole economy.

I would like to suggest something quite different, a policy designed to allow President Reagan to achieve his economic goals, and then some. To quote Jude Wanninski:

"The object of monetary policy should not be to put money into or take money out of the consumer's pocket, but to provide producers—and consumers—with a unit of account that does not change in value, thus permitting goods and services to be traded over long periods of time."

Under the gold standard, bonds were issued with 100 year maturities at 6 percent

interest. It is that kind of stability that is necessary for the long range planning of a capitalist society. And it is that kind of stability that has been totally absent under the present monetary regime.

There are several immediate steps that could be taken to achieve this stability. First, freeze all reserve requirements at their present levels. Further decreasing or increasing of such requirements would be either inflationary or deflationary. All discretion on pegging reserve requirements should be removed from the Fed.

Second, the Open Market Committee should be abolished, and the Fed prohibited from buying or selling any securities whatsoever. Buying securities is inflationary; selling is deflationary.

Third, the Fed should close the discount window. Making loans directly from the Fed to depository institutions is always inflationary, whether the loans are made at market, below-market, or above-market rates.

In short, the Fed and the Congress must stop trying to second and third guess the economy. The Monetarists, who are opposed to most government intervention in the economy, are arch-interventionists when it comes to the most sensitive and fragile aspect of the economy, the monetary system. It's such government intervention that must be abolished if there is to be any genuine progress toward deregulation.

Ultimately, of course, the nation's monetary policy should not be decided by the Federal Reserve System at all, but should be monitored by the Bureau of Weights and Measures. A gold dollar, consisting of a weight of pure gold, should be the unit of account of the government, and the government's role should simply be to punish fraud, not to intervene by supplying money and draining off money. Such interventionist policies will always fail. ●

HAS THE U.S. EXPORT PROBLEM BEEN SOLVED?

HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. AU COIN. Mr. Speaker, in its rush to trim the Federal budget—a goal that few will dispute—the administration has set its sights on the Export-Import Bank, proposing direct loan reductions of \$6.7 billion over the next 5 years. The reasoning is that the Bank provides loans to profitable corporations and therefore such financing is an unnecessary subsidy. Under the guise of our worthy efforts to balance the budget, we are gutting one of the mainstays, America's export program.

Of course, the argument that the Bank is expendable because it only supports profitable corporations is specious; and under closer scrutiny it breaks down.

In a response to this attack, Dr. Penelope Hartland-Thunberg, director of economic research at the Georgetown Center for Strategic and International Studies, has written a concise report. She points out that the long-term de-

cline in U.S. exports has not been reversed and that, in cutting the lending authority of the Bank, the United States faces the real danger of unilateral disarmament at the onset of an insipid export credit war.

Dr. Thunberg, formerly a member of the board of national estimates of the Central Intelligence Agency and the U.S. Tariff Commission, notes that price alone does not win orders, and that conditions of sale are far more important to the successful export effort. Conditions of sale include the competitiveness of our financing any transaction.

The report is a special supplement to the excellent U.S. Export Competitiveness Series, sponsored by CSIS under the executive direction of Ambassador Michael Samuels.

Mr. Speaker, this supplementary report spells out clearly the perils of cutting back on Exim. I commend it to the attention of my colleagues and ask unanimous consent that it be inserted in the RECORD at this point.

The article follows:

HAS THE U.S. EXPORT PROBLEM BEEN SOLVED?

(By Penelope Hartland-Thunberg)

FOREWORD

In the last few weeks, the subject of export credit financing and the role of the U.S. Export-Import Bank has taken on a new dimension in light of the intention of the Reagan Administration to cut drastically the lending authority of the Eximbank over the next few years. Although the Bank's lending programs have a significantly different relationship to the federal budget than the spending programs of other government agencies, the Administration has recommended direct loan reductions of \$6.7 billion over the next five years and the virtual elimination of the discount loan programs.

Over the last two years, the Center for Strategic and International Studies in its U.S. Export Competitiveness Project, has conducted a comprehensive study of the decline of U.S. export performance. This project has produced 13 studies to date on the various components of this critical issue and will release seven additional reports in the months ahead. A clear conclusion of this project is that the United States has an urgent export imperative. Maintaining and increasing U.S. exports must be pivotal to the building of a strong international economic policy.

In view of the vital contribution of the Eximbank to U.S. export performance, CSIS is pleased to issue the following report as a special supplement to the U.S. Export Competitiveness series. Dr. Penelope Hartland-Thunberg, a senior economist for CSIS, finds that evidence does not support the claim that the long-term decline in U.S. exports has been reversed. In fact, the probabilities favor a continuation of the present dollar's strength that will act as a sustained depressant on future U.S. exports. By cutting the lending authority of the Eximbank, the United States faces the danger of "unilateral disarmament" at the onset of an export credit war now fomenting among the industrialized nations.

The Center is proud to present this important contribution to the current Eximbank funding debate.

MICHAEL A. SAMUELS,
Executive Director.

March 1981.

HAS THE U.S. EXPORT PROBLEM BEEN SOLVED?

In 1978, the then Assistant Secretary of Commerce, Frank Weil, observed "Each year, within a year or so from the commencement of strong export program, the financial winds change and the balance of payments problem grows less. Thus each time . . . there is a risk that if our current account deficit shrinks, as we hope it will, that the will behind the effort will be sapped away by other priorities."¹

Indeed, since those words were spoken, current account deficits of about \$15 billion dollars in 1977-78 have been replaced by a surplus of \$5 billion. U.S. exports have grown by 25 percent or more during each of the past two years, and the U.S. trade gap has declined by nearly \$5 billion.²

Today in the pressure of budget-cutting in President Reagan's White House, the current healthy level of U.S. exports is being cited as evidence that money can be saved by cutting such export-aids as the loan activities of the U.S. Export-Import Bank. Has the competitive position of U.S. business in world markets really shifted permanently for the better? Or was the Assistant Secretary of Commerce uncommonly prescient in 1978 when he suggested that "other priorities" might once again sap a long-range export effort?

Our examination of the basic determinants of U.S. competitiveness suggests that the sanguine explanation of the improvement in U.S. trade and payments is just that—merely optimistic.

BASIC DETERMINANTS OF COMPETITIVENESS

The competitive position of a nation's exports in world markets is basically a function of its export prices and the uniqueness of its goods. There are very few goods entering world trade today which are truly unique, in the sense that no useable substitute for them exists. Although one item or one supplier may be preferred over another other things being equal, a less preferred item or supplier will be chosen if the price difference is sufficient or if some other consideration compensates for the degree of uniqueness in the preferred item. Certain of the most technologically advanced computers are truly unique for certain purposes, but the number of such truly unique products can probably be counted on one hand. Thus in the vast bulk of international transactions, the determining factor in exports and imports will be price.

The concept of price which is relevant to a consideration of the competitive position of any country is an all-inclusive one, including the time and place of delivery and the time and place of payment.

Differing conditions of sale among different potential suppliers frequently are far more important than the price of the narrowly defined product alone in determining which supplier will win the order. This is especially true for "large-ticket" items like aircraft, telecommunications systems, "turn-key" projects involving factories, dams,

power systems or other custom-designed industrial enterprises or systems. Where millions of dollars are involved, differences in design among different suppliers are likely to be minor compared with differences in conditions of sale in determining which bid is accepted. In 1980 Eastern Airlines chose the European-produced Airbus over the Boeing 767, despite the fact that the American product was preferred for its purposes. It did so because the credit terms available with the Airbus made its overall price irresistible. Later Transworld Airlines was induced to order the 767 rather than Airbus because, according to the (London) Economist (February 14, 1981) "Boeing practically gave away" its price thus absorbing the credit differential.

For small-ticket items the condition of sale which is probably most important in determining export competitiveness in today's world is the currency in which payment is to be made. With fluctuating exchange rates, the current strength or weakness of a currency can be the determining factor in the choice among potential suppliers. Soundly based econometric studies have demonstrated the close relationship between currency values and total level of exports.³ For the United States, for example, it has been established that the volume of exports will rise or fall twelve to eighteen months after a price change which occurs due to an exchange rate shift.

Price competitiveness in this broad sense is very much subject to the influence of differences in government policies among the trading nations of the world. Differences in financial or monetary policies, undertaken for reasons related to the level of employment or inflation within a country, affect interest rates and exchange rates. On a less aggregative level, differences in national policies regarding such internal matters as environmental controls, business taxes of all kinds, human rights regulations, labor standards and protections can in their cumulative effect have a profound influence on price competitiveness. It is now generally recognized that the competitiveness of American business in world markets has suffered a dual disadvantage of increasing intensity during the past decade or so stemming not only from the cost-increasing impact of regulations of the U.S. government but also from the cost-decreasing impact on U.S. foreign competitors of the export support programs of foreign governments.

CURRENT POSITIONS OF U.S. EXPORT COMPETITIVENESS

Both the U.S. Congress and the Executive Branch acknowledge the role of U.S. government policies in depressing U.S. exports; it is therefore expected that major steps will be taken this year to remove or amend a number of the more burdensome laws and regulations. The U.S. tax burden on U.S. businessmen abroad is likely to be reduced and the antiboycott law simplified; the Foreign Corrupt Practices Act will probably be made more realistic; antitrust policy as it applies to U.S. business abroad is likely to be adjusted. In addition, the government-wide review of federal rules and regulations as they add to business costs will result in an additional source of relief for U.S. exporters.

At the same time, however, the executive branch has recommended the emasculat

of the one U.S. government effort which has had the effect of helping to counter the competitive disadvantage to which U.S. exporters are subjected by foreign government subsidies of their competitors' export credit terms. The reduction in U.S. Export-Import Bank credits proposed in the 1981 U.S. budget comes at a most unfortunate time. As a recent issue of the (London) Economist noted, (February 14, 1981) "A credit war has broken out among the rich exporting countries of the west." (p. 78). A four-year-old gentleman's agreement among OECD countries to adhere to the same credit terms for certain categories of foreign buyers fell apart last year, in large part because of the intransigence of the French. Thus, just as the time when our chief competitors in Europe and Japan have declared credit warfare by making the terms of their officially-supported credits more liberal and more imaginative, the United States is being asked by the executive branch to declare "unilateral disarmament in the trade field."⁴

The forms of direct and indirect subsidies provided by foreign governments to their exporters vary greatly and recently have become increasingly difficult to identify. The important question, however, is whether other developments affecting U.S. exports favorably are likely to be sufficient to counterbalance the unfavorable effect of the credit war and U.S. "disarmament," so that over-all U.S. exports will not suffer. The executive branch acknowledges that the cuts in lending could hurt U.S. exports, (Journal of Commerce, February 13, 1981) but their citing the current healthy U.S. export level implies that in their thinking other factors will compensate for the injury.

Skepticism about such claims is warranted because it is widely accepted by competent students of the international economy (e.g. Federal Reserve Bulletin, January, 1981, p. 10) that the current improved competitive position of U.S. exporters is the result of the 1977-78 depreciation of the dollar. Since late 1978, however, the dollar has risen slowly and by the end of 1980, the real effective exchange rate (its trade-weighted value allowing for differences in national rates of inflation as computed by Morgan Guarantee Bank) had returned to its 1977 level.

During the second half of 1980 the dollar rose 7 percent on the average and since then has risen even further against most European currencies. The effects of the dollar's strength will appear in trade data for late 1981 and early 1982, in a decline of U.S. exports and an increase in U.S. imports following the well-established lag of 12 to 18 months.

The dollar's recent strength is traceable primarily to extraordinarily high U.S. interest rates, secondarily to slower economic growth during 1980 in the United States than in our major trading partners. Slower U.S. growth depressed U.S. imports more than relatively higher (although slowing) growth rates abroad depressed our exports. The outlook for the next year or two, however, is for a combination of interest rate factors and growth factors both operating to depress U.S. exports.

U.S. interest rates are likely to remain high by historic standards as a result of continued inflationary pressures and the ef-

¹ Quoted in Hartland-Thunberg, P. Political and Strategic Importance of Exports, Significant Issues Series, (Washington, D.C.: Center for Strategic and International Studies, 1979), p. 18.

² Chase Manhattan Bank, International Finance, January 5, 1981.

³ The seminal article in such studies, for example, was Junz, H. and Rhomberg, R., "Price Competitiveness in Export Trade Among Industrial Countries," American Economic Review, May 1973.

⁴ Ambassador Michael A. Samuels in speech before the Scripps Howard Newspaper Editors, Williamsburg, Virginia, September 8, 1980, processed.

forts of the monetary authorities to control them. Further, any decline in U.S. interest rates is likely to be accompanied by declining rates abroad because European governments are currently chaffing at being forced into tighter money policies than they wish because of pressures on their exchange rates. Thus the interest rate differential in favor of the dollar will probably endure, sustaining the attraction to foreigners of dollar investments and thereby keeping the dollar strong. A strong dollar, moreover, contributes to the U.S. fight against inflation by keeping import prices low. The probabilities thus favor a continuation of dollar strength and thus a sustained depressant on future U.S. exports.

High interest rates, moreover, will have serious repercussions on the most rapidly growing developing countries which have become important markets for the manufactured exports of the industrial nations and currently absorb one-third of such U.S. exports. The rapidly growing LDCs have been the big borrowers. A large part of their outstanding indebtedness is on a floating interest rate basis. The sharp rise in rates between 1979 and 1980 added 50 percent to their interest payments and contributed significantly to their financial difficulties. Their imports are already growing more slowly under the combined weight of higher prices for oil imports and interest payments; the trend toward deceleration in U.S. exports to these countries is likely to continue at least for the next year or so.

Economic growth in the major industrial countries during 1981 is expected to decline and to be lower than it was in 1980. These facts imply that cyclical factors of declining growth abroad will reinforce the depressing effect of exchange rate factors on U.S. exports. Consideration of the aggregative forces affecting U.S. trade thus do not argue in support of a counterpoise to U.S. "disarmament" in the export credit war.

Despite these aggregative trends are there perhaps specific developments that might influence this conclusion? As we have noted export credits are an important element in international competition primarily for the large-ticket items, the very expensive exports. Since most of these are custom-tailored for the requirements of the purchaser, they are less vulnerable to exchange rate changes than are consumer goods. This, however, is another way of saying exchange rate changes are usually smaller than other factors like interest rate differentials which combine to determine price bids including conditions of sale.

Relevant to a consideration of the trend in U.S. competitiveness is the change in the U.S. share of world exports of manufacturers. In fact it was persistent decline in this share from over 20 percent in the 1960s to a low of 17 percent in 1978 that sparked the original concern in the United States over a decline in U.S. competitiveness.⁶ The inexorable decline in the U.S. share was finally broken in 1979 when the share rose from 17.0 percent to 17.4 percent. Available preliminary data for the first half of 1980 show a continued improvement. The change in direction, welcome as it is, however is neither sufficiently robust nor of sufficiently long duration to indicate unequivocally that the declining trend has been reversed. In fact there is a serious danger that U.S. "unilateral disarmament" at the onset of an export

credit war could bring about a reversal of the reversal that is being so roundly welcomed.

How long are U.S. exports likely to suffer the effects of cut-throat competition from Europe and Japan in the export credit war? No one can answer the question of course, but it seems safe to conclude that the warfare will last longer if the United States is a nonparticipant than it would if this country, accounting for one-quarter of global GNP, were to be a serious combatant. The intransigence of the French, which was the reason for the failure to renew the previous international agreement on minimum credit terms, would probably evaporate quickly if they became convinced that the U.S. Congress and the U.S. Executive were serious about a threat to meet any government-sponsored credit terms offered by U.S. export competitors. Such a threat, backed by action if necessary, would probably cost the U.S. government less in expenditure than "unilateral disarmament" will in lost revenues.

SUMMARY

History appears to be repeating itself. The Reagan White House is recommending a cut in the funding of the U.S. Export-Import Bank. "Other priorities" may once again sap a much needed, long range effort to reverse the trend in the decline of U.S. exports. The reason supporting this cut is the current healthy level of U.S. exports; however, our research suggests that this approach is overly optimistic. The evidence does not support the claim that the long term decline in U.S. exports has been reversed. Accordingly we do not believe it wise for the United States, in the current export credit war, to disarm itself unilaterally by cutting the Eximbank funding.●

THE HOUSE SETS AN EXAMPLE

HON. ROY DYSON

OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. DYSON. Mr. Speaker, several weeks ago I sent a letter to President Reagan expressing my opposition to the proposed 16-percent increase in salaries for Members of Congress, Federal judges, and high-level Federal officials. In an affirmation of what I said in that letter to the President I voted against the pay raise. My reasons were simple; We, as America's leaders, have to set an example for the rest of the country.

People all over the United States are being asked by their local, State, and Federal officials to "tighten their belts." The President, in his program for economic recovery, has asked us to restrain ourselves even further as we pare down the Federal budget. There is no question that we are facing austere economic conditions and in my own mind there is no question that with the proper course of action we will overcome our economic difficulties. The real question which faces and will continue to face the Congress is setting an example that the rest of the country can look to and find support.

I am very pleased that the House rejected the pay raise proposal. It is a symbol that the Congress is looking out for the best interests of the country and not for itself. It is also a symbol of the direction the Congress will take in sharing in the task of setting this country back on the right track of prosperity. I know that the people of Maryland's First District are ready to do their share.●

ILLEGAL DRUGS—ROSS PEROT

HON. JAMES M. COLLINS

OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. COLLINS of Texas. Mr. Speaker, Ross Perot is leading the fight to end the drug traffic in Texas. We all agree that drugs are the No. 1 social and criminal problem in the United States. Yet, so many times drugs is a subject we talk about and we are not moving in for firm action.

Gov. Bill Clements appointed Ross Perot as chairman of Texans' War on Drugs Committee which is a citizens committee composed of 16 prominent Texans.

Ross is one of the Nation's leading businessmen serving as chairman and chief executive officer of Electronics Data Systems which is a company that he founded. His hard-hitting Navy experience that carries through from his days at Annapolis gives him the drive for leadership in this essential war against drugs. The Dallas Morning News had an excellent summary of Ross Perot's activities. Here is a summary of the high points in the Dallas Morning News story.

[From the Dallas Morning News]

ILLEGAL DRUGS

Illegal drug use is the No. 1 social and criminal problem in the United States. Consider these facts:

Roughly 80 percent of the convicts in the Texas penal system were involved in drug-related crimes, primarily involving theft to support individual drug habits.

Between 75 and 85 per cent of the persons arrested in sting operations are stealing to support drug habits.

Four out of 100 12-year-olds in our state used marijuana in the past month.

One out of eight high school seniors is a daily marijuana smoker.

More than 7,500 medical studies presenting the damage done by marijuana have been published. The medical evidence is overwhelming that marijuana is a powerful, damaging drug, particularly when use by teen-agers whose minds and bodies are still developing. Drugs, including marijuana, interfere with normal growth at the cellular level.

The part of the brain that allows a person to focus, concentrate, create, and conceptualize is adversely affected by the use of drugs, and over a period of time, can be permanently damaged.

⁶ OECD, *Economic Outlook*, December 1980.

⁶ U.S. Department of Commerce, *International Economic Indicators*, December 1980.

Medical studies show permanent, irreparable damage to the female reproductive system with long-term use of drugs, including marijuana.

The immune system is adversely affected, producing a significant increase in infections. A single marijuana cigarette every other day for a year over a period of several months will produce a 41-percent decrease in the white blood cell count.

Drugs, including marijuana, affect the ability to react. A single normal strength marijuana cigarette will result in a loss of 42 percent of a person's driving skills. Two cigarettes will cause a 63 percent decrease in driving skills.

Drugs, including marijuana, reduce our mental capacity. Newly acquired knowledge goes into short-term memory and is then transferred into long-term memory. Use of drugs reduces the ability of short-term memory to retain information and transfer it into long-term memory.

With 62 percent of our 21-25 year-old age group experimenting with drugs, unless we change this trend, our economic structure will deteriorate over a period of time.

The 'Texans' War on Drugs Committee has concluded that we must do three things to combat drugs in our state effectively.

1. We must educate parents and children throughout the state. Only the parent, working with the child, can effectively prevent the child from experimenting with drugs. We have studied all the prevention programs. Programs in the schools, churches and youth groups can provide support, but the primary responsibility rests with the parent.

Next September, with the help of the Texas Medical Auxiliary, the Junior Leagues, and the Parent Teacher Association across our state, we will be working with the parents of every child in every grade in every public school in Texas to protect our children.

2. We need to enact legislation to reduce the availability of drugs in our state. Our committee has several bills pending before the legislature.

The first bill is Senate bill 393-House Bill 730, which will force drug smugglers to think twice about bringing drugs into Texas. Currently, our state is one of the "easiest" Gulf Coast states for drug smuggling since the penalty for getting caught is not as great as in the other four states. This bill will provide stiff penalties against drug smugglers.

Drug dealers who get caught selling to children will be hit hard if S.B. 397-H.B. 729 is passed. Convicted dealers will be denied probation or suspended sentences, unless a jury recommends otherwise.

3. We need uniform law enforcement and prosecution of major drug dealers in every area of Texas. Wherever we have soft spots in our state, major drug dealers set up operation.

EL SALVADOR

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. FAUNTROY. Mr. Speaker, I enthusiastically join my distinguished colleague from Massachusetts who has provided this body with such fine leadership on the question of El Salvador.

Tragically, the Reagan administration, in pursuit of a military solution in El Salvador, is ignoring the opportunity for a political solution and is further polarizing the situation, isolating the United States from most of the political forces of El Salvador and our friends in the region.

A story in the Washington Post of March 13 indicates that the weight of public opinion and indeed world opinion against such a reckless policy must be bringing the administration to its senses. This is certainly true of the mail and calls I am receiving from my constituents in the District of Columbia which has been unanimous in its opposition to the provision of military assistance to the junta in El Salvador.

The reality is the administration's policy is counterproductive and simply cannot stand the test of public scrutiny.

I congratulate Congressman STUDDS on his leadership and his authorship of H.R. 1509 of which I am a proud co-sponsor.●

STATUS OF THE CONGRESSIONAL BUDGET FOR FISCAL YEAR 1981

HON. JAMES R. JONES

OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. JONES of Oklahoma. Mr. Speaker, the House Budget Committee today is notifying the Speaker of the House of the current levels of congressional action on the budget compared to the spending ceilings and revenue floor established by the second budget resolution for fiscal year 1981. In order to keep Congress advised of the effect of its spending and revenue actions compared to the overall totals set in the most recently adopted budget resolution, periodic reports are required by section 308(b) of the Budget Act. Under the act, a point of order lies against any measure that would cause the spending ceilings or the revenue floor established by a concurrent resolution to be breached.

This report is based on the revised CBO 1981 economic forecast and spending and revenue reestimates for fiscal year 1981. In the January 15, 1981, Presidential budget submission, the estimates of spending and revenues were revised to reflect the latest economic and programmatic information. A complete review of these reestimates has been conducted and agreed upon by the Budget Committees and CBO; the committee will begin the review of the March 10 revisions within the next few weeks. The incorporation of these reestimates will bring current level to \$19,595 million over the resolution in budget authority, \$27,625 million over the outlays

and \$3 billion in revenues over the revenue floor. These revised spending levels will prevent any consideration of spending legislation and urgent supplementals requested by the President until the second resolution for fiscal year 1981 is revised.

I expect that a revision to the second resolution for fiscal year 1981 will be reported to the House approximately April 14, 1981, as title I of the first concurrent resolution for fiscal year 1982. The committee is hopeful that the congressional timetable for completion of the first resolution for fiscal year 1982, which will incorporate the revision of the second resolution for fiscal year 1981 will be completed by May 15, 1981.

The spending increases reflected in these reestimates have not been due to actions taken by Congress since the passage of the second budget resolution. The increases are primarily due to changes in the economy, including higher interest and inflation rates than were assumed in the second budget resolution. These factors escalate the cost of Federal programs tied to the economy. Interest alone has gone up \$6 billion.

A copy of my letter to the Speaker and of the committee's report are attached:

COMMITTEE ON THE BUDGET,
Washington, D.C., March 17, 1981.

HON. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending. I am herewith transmitting the status report under H. Con. Res. 448, the Second Budget Resolution for Fiscal Year 1981. This report reflects the resolution of November 20, 1980, and estimates of budget authority, outlays, and revenues based on all completed action on spending and revenue measures as of the close of legislative business March 13, 1981.

Sincerely,

JAMES R. JONES,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1981 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 448

REFLECTING COMPLETED ACTION AS OF MAR. 13, 1981

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	694,600	632,400	605,000
Current level	714,195	660,025	608,000
Amount over resolution	19,595	27,625	3,000
Amount under resolution			

BUDGET AUTHORITY

Any measure providing budget or entitlement authority for fiscal year 1981, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 448 to be exceeded.

OUTLAYS

Any providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays for fiscal year 1981, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 448 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1981 of more than \$3,000 million, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 448.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., March 17, 1981.

HON. JAMES R. JONES,
Chairman, Committee on the Budget,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request, this is to advise you of our most recent estimates for the current levels of new budget authority, outlays and revenues for fiscal year 1981. The tabulation below is based on a comprehensive review of spending and revenue estimates that incorporates Congressional action to date, a changed economic outlook, administrative actions, and new programmatic information. The attached material provides more details on the tabulation below and the results of our comprehensive review of budget estimates.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted.....	614,269	583,293	608,000
2. Entitlement authority and other mandatory items requiring further appropriation action.....	8,699	9,348	
3. Continuing resolution authority.....	91,227	67,385	
4. Conference agreements ratified by both Houses.....			
Current level.....	714,195	660,025	608,000
Second concurrent resolution.....	694,600	632,400	605,000
Amounting remaining:			
Over resolution by.....	19,595	27,625	
Over floor.....			3,000

The current level budget authority and outlay estimates shown above are on a full year basis. Most of the funds normally provided through the foreign assistance, labor, health and human services, and education, legislative branch, and treasury, postal service appropriation bills, however, are now available under continuing appropriations authority contained in P.L. 96-536. This authority expires June 5, 1981. Our estimate of the total budget authority and outlays, with discretionary items funded under P.L. 96-536 estimated only through June 5, 1981,

is \$699,491 million in budget authority and \$650,615 million in outlays.

Sincerely,

ALICE M. RIVLIN,
Director.

PARLIAMENTARIAN STATUS REPORT SUPPORTING DETAIL,
FISCAL YEAR 1981 AS OF CLOSE OF BUSINESS MAR. 13,
1981

[In millions of dollars]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds.....	375,352	346,378
Enacted previous session (96th Congress, 2d session).....	315,554	313,552
Offsetting receipts.....	-76,637	-76,637
Enacted this session.....		
Total, enacted.....	614,269	583,293
II. Entitlement authority and other mandatory items requiring further appropriation action:		
Function 050:		
Civilian and military pay raises.....	4,428	4,404
Feed and forage authority.....	830	689
Function 150:		
Payment to foreign service retirement and disability fund:		
Foreign assistance.....	2	2
Commerce, State.....	12	12
Offsetting receipt.....	-14	-14
Export-Import Bank limitation.....		1
Function 350:		
Farm Credit Administration limitation.....		1
Function 370:		
Administrative expense limitation:		
Federal Home Loan Bank Board.....		3
Federal Savings and Loan Insurance Corporation.....		(¹)
Function 400:		
Highway-related safety grants.....	9	9
Federal-aid highways program.....	789	789
Federal-aid highway program limitation.....	7	7
Trust fund share of other highway programs.....		(¹)
St. Lawrence Seaway Corporation limitation.....		(¹)
Function 500:		
Unemployment insurance trust fund transfer.....		-15
Function 550:		
Federal hospital insurance trust fund transfer.....		7
Function 600:		
Child nutrition programs.....	104	104
Rail labor assistance.....	60	60
Subsidized housing programs.....		89
Unemployment insurance trust fund transfer.....		129
OASI trust fund limitation.....		140
Civil service retirement trust fund limitation.....		2
Railroad retirement trust fund limitation.....		1
Function 700:		
Veterans readjustment benefits.....	492	386
Veterans compensation.....	1,057	960
Veterans insurance and indemnities.....	5	5
Function 750:		
Federal prison industries limitation.....		(¹)
Function 800:		
Payment to civil service retirement fund.....	513	513
Offsetting receipts.....	-513	-513
Function 920:		
Civilian agencies pay raises.....	1,722	1,669
Total, entitlement authority.....	8,699	9,348
III. Continuing resolution authority:		
Continuing appropriations (Public Law 96-535): ²		
Energy and water.....	155	90
Foreign assistance.....	7,088	3,040
Offsetting receipts.....	-26	-26
Labor, Health and Human Services, Education.....	90,830	71,663
Offsetting receipts.....	-13,672	-13,672
Legislative branch.....	1,188	1,058
Treasury, Postal Service, and General Government.....	8,445	8,011
Offsetting receipts.....	-2,780	-2,780
Total, continuing resolution authority.....	91,227	67,835
IV. Conference agreements ratified by both Houses:		
Total current level as of March 13, 1981.....	714,195	660,025
Second concurrent resolution in the budget (H. Con. Res. 448).....	694,600	632,400
Amount remaining:		
Over ceiling.....	19,595	27,625
Under ceiling.....		

¹ Less than \$500,000.
² Additional appropriation action is required to continue funding beyond June 5, 1981. The amounts shown represent annual amounts provided under this public law.
Note.—Detail may not add due to rounding.

FISCAL YEAR 1981 BUDGET ESTIMATES
(Mar. 17, 1981)

At the close of the 96th Congress, action had been completed on most of the 1981 budget. Nine of the thirteen regular appropriation bills had been enacted, and spending for programs included in the other four appropriation bills was covered through June 5, 1981, by the second continuing resolution. As shown in Table 1, outlays resulting from these actions, plus spending for certain entitlements and other mandatory items requiring further appropriation action, were estimated to be \$630 billion, slightly below the second budget resolution ceiling of \$632.4 billion. Revenues were estimated to be \$613.4 billion, or \$8.4 billion above the second resolution floor of \$605 billion. The budget deficit stood at \$16.6 billion, well below the \$27.4 billion deficit specified by the second budget resolution.

TABLE 1.—BUDGET ESTIMATES FOR FISCAL YEAR 1981

	Budget authority	Outlays	Revenues	Deficit
Enacted at the close of the 96th Congress, with the continuing resolution through June 5.....	682.0	623.8	613.4	-10.4
Entitlements and other mandatory items requiring further appropriation action.....	6.3	6.2		-6.2
Subtotal, current level at close of 96th Congress.....	688.4	630.0	613.4	-16.6
Additional spending if continuing resolution is extended to September 30..	15.5	10.1		-10.1
CBO reestimates due to change in economic outlook and other developments.....	10.3	19.9	-5.4	-25.3
Revised current level.....	714.2	660.0	608.0	-52.0
Second budget resolution.....	694.6	632.4	605.0	-27.4

Without any new budgetary actions by the 97th Congress, however, the budget outlook for fiscal year 1981 has changed sharply during the past few months. The latest estimates show a budget deficit of \$52 billion. Most of the increase in the size of the deficit can be attributed to higher outlay estimates. An extension of the second continuing resolution to September 30, the end of the fiscal year, would add an estimated \$10.1 billion in outlays. Spending reestimates by the Congressional Budget Office (CBO), based on a changed economic outlook, administrative actions, and new programmatic information, total another \$19.9 billion in increased outlays. Finally, 1981 revenues under current law are now expected to be \$5.4 billion lower than estimated in December.

NEW ECONOMIC ASSUMPTIONS

The most striking change in the economic outlook for the 1981 fiscal year period is higher interest rates. Interest rates rose sharply in the October-December 1980 quarter, and are now expected to be very volatile but remain at relatively high average levels throughout the remainder of the fiscal year. Inflation is also expected to be somewhat higher during fiscal year 1981 than was assumed for the second resolution, which will raise the costs of indexed programs such as Social Security. The budget reestimates assume, for example, that the July 1981 cost-of-living adjustment for Social Security, will be 12.0 percent, compared to 10.7 percent assumed for the second budget resolution.

TABLE 2.—ECONOMIC ASSUMPTIONS

	[Dollars in billions]			
	Second budget resolution		Latest CBO scorekeeping assumptions	
	1980	1981	1980	1981
Gross national product:				
Current dollars.....	\$2,570	\$2,841	\$2,629	\$2,933
Constant (1972) dollars.....	\$1,422	\$1,437	\$1,482	\$1,499
Incomes:				
Wages and salaries.....	\$1,332	\$1,469	\$1,344	\$1,481
Nonwage income.....	\$446	\$502	\$474	\$543
Corporate profits.....	\$232	\$237	\$245	\$242
Unemployment rate (percent).....	7.3	8.0	7.2	7.8
Consumer Price Index (percent change year-to-year).....	13.3	10.3	13.4	10.8
Interest rate, 3-month Treasury bills (percent).....	11.0	10.6	11.4	12.5

As shown in Table 2, the latest scorekeeping estimates for the levels of gross national product (GNP) are higher than assumed for the second resolution. This is the result of higher inflation and a major revision in the GNP series announced in December by the Department of Commerce. Real economic growth in 1981 is expected to be about the same as projected for the second budget resolution. Taxable incomes are also expected to be somewhat higher in 1981 than assumed for the second resolution.

REVENUE REESTIMATES

The largest element in the \$5.4 billion reestimate of current law revenues for 1981 is a \$4.3 billion decrease in estimated windfall profit tax receipts. This decrease is based on lower than expected collections in 1980 and a revised outlook for world oil prices. Corporate income taxes have also been reestimated downwards by \$2.5 billion to reflect actual collection experience in 1980. Estimated individual income tax receipts have been lowered slightly, as a result of a technical adjustment in the relationship between income taxes and taxable incomes based on the recent revisions in the GNP series.

The latest estimate for social insurance taxes and contributions is about \$400 million above the previous estimate, largely because of the revised forecast for wages and salaries. Estate and gift taxes are also expected to be somewhat higher based on the latest data. Aside from the reduction in windfall profit tax receipts, some increase in other excise taxes is expected because of higher prices. Finally, miscellaneous receipts have been reestimated upwards by approximately \$900 million. Federal Reserve profits are expected to be higher than previously estimated because of higher interest rates. In addition, the Panama Canal Commission has been directed to reimburse the Treasury \$350 million for monies advanced to the Commission in 1979. Table 3 summarizes the CBO reestimates by major revenue source.

TABLE 3.—REVENUE ESTIMATES FOR FISCAL YEAR 1981

Major source	[In billions of dollars]		
	Current level at end of 96th Congress	CBO reestimates	Revised current level
Individual income taxes.....	282.6	-0.6	282.0
Corporation income taxes.....	70.7	-2.5	68.2
Social insurance taxes and contributions.....	185.7	.4	186.1
Excise taxes.....	46.7	-3.7	43.0
Estate and gift taxes.....	6.3	.6	6.9
Customs duties.....	7.8	-.4	7.4
Miscellaneous receipts.....	13.6	.9	14.5
Total revenues.....	613.4	-5.4	608.0

SPENDING REESTIMATES

A major part of the \$19.9 billion in spending reestimates can be attributed to the changed economic outlook for fiscal year 1981. Net interest costs are projected to be \$5.7 billion higher than estimated for the second budget resolution. The projected volume of mortgage loans and other asset sales by various revolving funds have also been revised downward because of higher interest rates. The estimated net outlays for these funds administered by the Farmers Home Administration, the Government National Mortgage Association, and the Veterans Administration have been increased by \$1.5 billion. Higher interest rates also will raise the costs of the student loan insurance program, by about \$300 million.

The immediate decontrol of domestic oil prices announced on January 28 by President Reagan will have the effect of increasing 1981 outlays for the strategic petroleum reserve program by \$1.6 billion, assuming no change in the 200,000 barrels per day average fill rate proposed by the Carter Administration. This increase in outlays will occur because the program will have to pay approximately \$30 dollars per barrel more for its purchases. Under a continued phase out of controls on domestic oil prices, the program would have been able to purchase price-controlled lower-tier oil.

Higher fuel prices will also add to Defense Department spending. The 1981 Defense appropriation bill contained about \$8.2 billion for fuel. More recent estimates indicate that fuel price increases will require an additional \$1.2 billion in budget authority and \$1.0 billion in outlays. Without further appropriation action, the Defense Department could invoke Feed and Forage Authority (Revised Statutes 3732) to fund these higher fuel costs.

The remaining \$9.8 billion in outlay reestimates are based on new information about spending trends and other programmatic developments since the adoption of the second resolution. The major reestimates are described in the following paragraphs. Table 4 summarizes the major spending reestimates by budget function category.

National defense

In addition to the projected higher fuel costs by the Defense Department in 1981, the cost of the October 1, 1980 payraise for Defense employees is estimated to be about \$600 million higher than assumed for previous scorekeeping estimates. The latest estimates assume that a smaller part of the October 1 payraise will be absorbed by the Defense Department, based on President Carter's 1982 budget estimates.

Energy

Outlays for various energy programs in 1981 are expected to be \$2.5 billion above previous estimates. As stated earlier, \$1.6 billion of this increase can be attributed to President Reagan's administrative action in January to immediately decontrol domestic oil prices. In addition, strategic petroleum reserve outlays are expected to be about \$300 million higher than previously estimated because of the accelerated fill schedule planned by the Energy Department.

TABLE 4.—SPENDING REESTIMATES FOR FISCAL YEAR 1981

Function and major program	[In billions of dollars]	
	Budget authority	Outlays
National defense:		
Defense fuel costs.....	1.2	1.0
Civilian and military pay raises.....	.6	.6
Other.....	-.2	-.1
Subtotal.....	1.6	1.5
International affairs.....	-.2	.2
General science, space, and technology.....	-.1	(¹)
Energy:		
Strategic petroleum reserve.....		1.9
Uranium enrichment.....	1.3	.2
Naval petroleum reserve oil receipts.....	.2	.2
Other.....	(¹)	.2
Subtotal.....	1.5	2.5
Natural resources and environment.....	-.2	-.1
Agriculture:		
Farm price supports.....		-.4
Agricultural credit insurance fund.....		.2
Other.....	(¹)	.2
Subtotal.....	(¹)	(¹)
Commerce and housing credit:		
Federal Savings and Loan Insurance Corporation.....		.9
Government National Mortgage Association.....	.6	.9
National Credit Union Administration.....		.2
HUD housing programs.....	.1	.2
Other.....	.1	.1
Subtotal.....	.7	2.4
Transportation:		
Penn Central settlement.....	2.1	2.1
Federal-aid highways (trust funds).....		.8
Urban mass transportation fund.....		.8
Panama Canal Commission.....	.4	.4
Other.....	(¹)	(¹)
Subtotal.....	2.5	4.1
Community and regional development:		
Community development grants.....	-.1	.2
Urban development action grants.....		.2
Disaster assistance (subfunction 453).....	(¹)	.3
Other.....	.2	(¹)
Subtotal.....	.1	.7
Education, training, employment, and social services:		
Student loan insurance.....	.4	.4
Student financial assistance.....		.4
Other Department of Education.....	-.1	.3
Social service grants.....	-.7	.1
Other.....	(¹)	.1
Subtotal.....	-.3	1.3
Health:		
Hospital insurance trust fund.....	-.2	.8
Supplementary medical insurance trust fund.....	.4	.4
Medicaid grants.....	.1	.2
Other.....	(¹)	.4
Subtotal.....	.4	1.8
Income security:		
Social security (OASDI).....	-.1.2	-.6
Unemployment compensation (subfunction 603).....	.7	.5
Civil service retirement.....	.3	.2
Supplementary security income.....	.2	.2
Assistance payments/Human development services.....	(¹)	.2
HUD housing assistance.....	-.5	(¹)
Other.....	.1	.2
Subtotal.....	-.6	.8
Veterans benefits and services:		
Readjustment benefits.....	.5	.5
Veterans housing programs.....		.4
Other.....	(¹)	-.1
Subtotal.....	.5	.8
Administration of Justice.....	(¹)	(¹)
General Government:		
Claims and judgments.....	.1	.1
Other.....	(¹)	.2
Subtotal.....	.1	.4
General purpose fiscal assistance.....	-.1	(¹)
Interest:		
Interest on the public debt.....	6.3	6.3
Other interest.....	-.9	-.9
Subtotal.....	5.4	5.4
Allowances:		
Civilian agency pay raises.....	.5	.5

TABLE 4.—SPENDING REESTIMATES FOR FISCAL YEAR 1981—Continued
(In billions of dollars)

Function and major program	Budget authority	Outlays
2 percent reduction, spread to other functions.....	1.0	.1
Subtotal.....	1.5	.6
Undistributed offsetting receipts:		
Employer's share, employee retirement.....	.1	.1
Interest received by trust funds.....	.3	.3
OCS rents and royalties.....	-3.0	-3.0
Subtotal.....	-2.6	-2.6
Total.....	10.3	19.9

¹ Less than \$50 million.

Uranium enrichment outlays are also estimated to be about \$200 million higher because receipts from uranium enrichment activities are expected to be lower, and spending on constructing the gas centrifuge plant is proceeding more quickly than previously estimated. The \$1.3 billion increase in budget authority for uranium enrichment reflects use of contract authority provided in the 1981 appropriation bill. Naval petroleum reserve receipts for 1981 have been revised downwards primarily as a result of the sale of reserve oil to the strategic petroleum reserve at a lower price than assumed for the second resolution.

Agriculture

Projected outlays for farm price supports have been reduced by over \$400 million from previous estimates, largely as the result of larger than expected sales of corn by the Commodity Credit Corporation (CCC) and increased redemptions of corn loans. These larger sales and loan redemptions are estimated to lower CCC outlays by over \$700 million. The latest estimates of outlays for the tobacco and soy bean programs are also lower by more than \$200 million. Partially offsetting these reductions are increases for dairy price supports and foreign export credits. As a result of more milk production and less consumption than expected, milk price support outlays are now estimated to be \$390 million higher than previously projected. Net outlays for export credits will be almost \$200 million higher because of lower repayments by Poland.

Net outlays by the agricultural credit insurance funds administered by the Farmers Home Administration are projected to be almost \$200 million higher in 1981 because of higher interest costs and fewer sales of assets than previously expected.

Commerce and housing credit

Outlays by the Federal Savings and Loan Insurance Corporation are expected to be higher in 1981 because certain large payments anticipated in 1980 did not materialize. These payments—to purchase the assets of failing savings and loan associations—are now expected to occur in 1981. Additional assistance is also expected to be needed for other thrift institutions experiencing problems during fiscal year 1981 because of high interest rates. The total effect is estimated to add almost \$950 million to 1981 outlays.

Net outlays by the Government National Mortgage Association are projected to be over \$850 million above previous estimates largely as a result of lower mortgage asset sales and higher discount points. Credit unions are requiring increased assistance because of high interest rates and other economic conditions. As a result, outlays by the

National Credit Union Administration have been revised upwards by over \$200 million for 1981. Estimated outlays for HUD housing programs have also been increased by over \$200 million, reflecting planned expenditures for the renovation of HUD-owned multifamily properties and recent spending trends for the housing for the elderly or handicapped fund.

Transportation

The reestimates in this function include \$2.1 billion in budget authority and outlays for settlement of a property dispute between the government and the Penn Central Corporation and its creditors. The settlement payment, made on January 15, covers the negotiated value or properties transferred from Penn Central to the Consolidated Rail Corporation which was formed by the Congress in 1976 to operate rail service previously managed by bankrupt railroads. Last year's rail deregulation legislation allowed the Department of Transportation to borrow the necessary funds from the Treasury, without prior appropriations.

First quarter (October-December) obligations from the highway trust fund occurred at a much higher rate than expected, reflecting pent-up demand by states that had been constrained by the 1980 obligation ceiling. The shift of obligations to early in the fiscal year will result in higher 1981 outlays. CBO's current estimate of outlays for the federal-aid highway construction program is \$8.5 billion, which is \$840 million higher than CBO's previous scorekeeping estimate. Urban mass transportation fund outlays also have been reestimated upward by over \$800 million, based on actual spending patterns during the first quarter and an expected faster first-year spending of new capital grants.

The Panama Canal Commission, pursuant to instructions in the 1981 transportation appropriations bill, will reimburse the general fund of the Treasury for monies provided to the Commission for 1979 operation. This reimbursement, which will amount to \$350 million, will be recorded as both a miscellaneous receipt and an outlay in the budget, with no effect on the deficit.

Community and regional development

Outlays for both community development block grants and urban development action grants have been reestimated upwards by more than \$200 million as a result of actual spending trends in the first quarter of fiscal year 1981. Small Business Administration (SBA) disaster loan outlays are also expected to be \$200 million higher in 1981 than previously estimated. Spending from the 1980 supplemental appropriations bill was slower than projected and, as a result, more will be spent in 1981. In addition, flood insurance outlays are expected to be \$75 million higher than previously estimated based on analysis of recent loss experience.

Education, training, employment and social services

Student loan insurance outlays have been reestimated upward by \$365 million as a result of higher interest rates and a higher projected new loan volume. Student financial assistance outlays will also be higher in 1981 by about the same amount because actual costs for the 1980-1981 school year were higher than anticipated. The Pell grant program needed approximately \$300 million more in 1980 appropriations to fund the program level approved by the Congress; these funds were borrowed from the appropriation for the 1981-82 school year.

Other Department of Education programs will also have higher outlays in 1981 than previously estimated. Based on actual spending patterns in 1980 and first quarter outlays for 1981, CBO has revised its outlay estimates for impact aid, handicapped education grants, and other education programs upwards by almost \$350 million.

Grants to states for social services are now expected to have outlays of \$3.2 billion in 1981, \$65 million higher than previously estimated largely as a result of delayed spending from the 1980 appropriation. Budget authority for the program has been reduced by almost \$700 million, reflecting a technical accounting change.

Health

Medicare costs have been reestimated upwards by \$1.2 billion, largely because of a higher than normal increase in the utilization of hospital and other medical services in 1980, a trend which is expected to continue in 1981. The normal annual increase in hospital days for Medicare patients has been about 3 percent. The actual increase in 1980 was about 7 percent. CBO's latest estimates assume that the increase in 1981 will be about 4.5 percent. The upward spending reestimates for Medicare are partially offset by almost \$500 million in estimated savings contained in the 1982 Carter budget. These savings are expected to come from reduced payments for hospital malpractice insurance and from tightening of the reasonable cost limits for hospitals.

Outlays for Medicaid grants have also been raised by over \$200 million, based on actual 1980 spending and obligation experience and a revised estimate of 1981 savings from cost management improvements. Outlays for other health programs have been revised upwards by almost \$400 million based on more recent information on spending rates.

Income security

Social Security outlays for 1981 have been reestimated downwards by over \$600 million, largely as a result of new programmatic information about actual beneficiary levels and average payments. The higher inflation outlook is expected to raise the July 1981 cost-of-living adjustment for Social Security benefits from 10.7 percent assumed for the second budget resolution to 12.0 percent. This will increase 1981 outlays by somewhat more than \$300 million, and 1982 outlays by \$1.3 billion over previous estimates. The increase for 1981, however, is more than offset by the downward adjustment for new programmatic assumptions.

Unemployment compensation outlays for 1981 are expected to be about \$500 million higher than previously estimated, despite the latest economic forecast for somewhat lower unemployment rates than assumed for the second resolution. The reason is a \$1.2 billion upward reestimate for trade adjustment assistance outlays. During the past year, many workers in automobile steel and tire/rubber factories have been certified for trade adjustment assistance benefits. Delays in paying these benefits in fiscal year 1980 will result in higher 1981 outlays. In addition, the automobile industry's continuing economic problems are expected to cause currently certified workers to suffer more frequent and lengthier layoffs than originally projected. Estimates for other unemployment compensation benefits have been lowered by about \$700 million as a result of assumed lower unemployment, actual first quarter outlays, and various reconciliation act provisions affecting the programs.

Projected outlays from the civil service retirement and disability fund have been raised by over \$200 million because of higher than anticipated retirement rates in 1980 which are now expected to continue in 1981. The actual net increase in retired annuitants in 1980 was 10,000 higher than expected. As a result, the 1981 net increase has been revised upwards by 10,000 to 52,000.

Estimated outlays for the supplemental security income program in 1981 have been increased by over \$200 million, as a result of the higher cost-of-living adjustment now projected and an updating of programmatic assumptions on beneficiary levels.

The foster care program has been transferred to the human development services account from the assistance payments account. Budget authority and outlays for this program are about \$250 million in 1981. Outlays for assistance payments have been revised upwards by about \$200 million, based on new programmatic data and new economic assumptions. Most of the increase is due to higher than expected costs of child support enforcement activities.

Veterans benefits and services

The fall 1980 school enrollment by veterans was much higher than expected. As a result, about 200,000 more veterans are now projected to receive GI Bill training benefits in fiscal year 1981 than previously estimated, for a cost increase of almost \$500 million. In addition, net outlays for veterans housing programs in 1981 are now expected to be over \$400 million higher than previous scorekeeping estimates, largely as a result of fewer asset sales because of high interest rates.

General Government

The latest Administration estimates for claims and judgments are about \$150 million above CBO's earlier scorekeeping estimates, largely as a result of increased outlays for Indian claims. In addition, the 1981 outlay effect from the 1980 furniture rescission, which had been recorded in this function, has been distributed to other functions in accordance with the latest Administration estimates.

Interest

Outlays for interest on the public debt are now projected to be \$91.9 billion in fiscal year 1981, \$6.3 billion above CBO's previous scorekeeping estimate. The increase is caused by higher interest rates and a higher budget deficit than assumed for the second budget resolution.

Interest receipts from off-budget agencies have been reestimated upward by almost \$400 million, based on the higher interest rate assumptions. Interest deposits in tax and loan accounts similarly have been reestimated upward by over \$200 million. These reestimates have the effect of reducing budget outlays since they are recorded as offsetting receipts. Other offsetting receipts and accounts in the interest function have also been revised upwards by over \$300 million, based on the OMB's latest estimates contained in President Carter's 1982 budget.

Allowances

The allowance for civilian agency payraises on October 1, 1980 has been revised upwards by about \$500 million from previous scorekeeping estimates, which assumed a greater level of absorption than proposed by the Administration. The 2 percent reduction in the 1981 HUD-Independent Agencies appropriation bill for controllable items and a similar reduction in the Legislative

EXTENSIONS OF REMARKS

Branch appropriations have been distributed to other functions, based on the latest Administration estimates.

Undistributed offsetting receipts

Sales of oil and gas leases on the Outer Continental Shelf (OCS) are now expected to produce \$3.0 billion higher receipts than assumed for previous scorekeeping estimates. The two Gulf of Mexico sales held in September and November produced \$1.8 billion more receipts than expected, and the third Gulf of Mexico sale scheduled for July 1981 is now expected also to produce near-record bonuses.

Interest payments received by trust funds are now expected to be \$300 million lower than previously estimated because of smaller trust fund balances. The payments by federal agencies to various employee retirement funds are also expected to be somewhat lower in 1981 than previously estimated.●

EL SALVADOR

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. WYDEN. Mr. Speaker, I am grateful for the opportunity to add my voice to the growing number of Americans who are expressing serious reservations about our increased involvement in El Salvador.

No good purpose is served by the shipment of arms and military advisers to this beleaguered country. The solution of El Salvador's internal problems should be decided by the Salvadorans themselves, in an environment free from superpower intrusion.

We all realize that America cannot just look the other way when present evidence of Soviet involvement in El Salvador, through Cuban proxies. But the appropriate response is not to ship armaments just because they are. This kind of one-upsmanship can only lead to escalated involvement by both superpowers. Have we not learned our lesson?

A proper American response should be one of encouraging the continued implementation of reforms by the Duarte government, while insisting on an end to the gross abuses of human rights by the military and extremist elements.

It is my hope, and the hope of many Oregonians, that the administration will soon realize that we must seek a different course in our policy toward El Salvador.●

TERRORISM IN EL SALVADOR—ITS GLOBAL SIGNIFICANCE

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, the master naval strategist, Sir Win-

ston Churchill, coined the phrase "soft underbelly" to refer to Western Europe's vulnerability to assaults from the south along the Balkan coast of the Mediterranean.

In recent years, America has acquired its own "soft underbelly," and today stands vulnerable on its southern flank.

U.S. naval strategists have long recognized the area implicitly defined by the Monroe Doctrine as vital to U.S. national security interests. Backing policy with power, the United States has traditionally maintained a position of strength in the Caribbean and Central America so secure that no other power could possibly mount a challenge—until recently.

Today, partly as a result of President Carter's policies and partly as a result of Cuban-Soviet strategic and ideological intrusions, the Caribbean and Central America are moving rapidly away from U.S. influence and charting a new and increasingly dangerous course.

With much fanfare, Jimmy Carter assumed the Presidency with a new plan for Latin America and a new generation of policymakers determined to secure its success. In general, the Carter administration advocated U.S. acceptance of Marxist-Leninist regimes in Latin America and assumed that underdevelopment and unrest in the area was caused by American imperialism and intervention. In particular, the President and his advisers urged ideological pluralism, respect for human rights, relinquishment of sovereignty over the Panama Canal, reconciliation with Cuba, recognition of Cuban claims to Guantanamo, reconsideration of the status of Puerto Rico, support for socialist Jamaica, elimination of public and private military aid programs, and withdrawal from U.S. air, Army and naval bases in and around the Caribbean. During the 4 years following Carter's inauguration in January 1977, all of these objectives have been either achieved or attempted.

The result of these policies is devastatingly clear. The geostrategic situation in the Caribbean and Central America has shifted 180 degrees. Throughout the entire region, the United States finds itself on the defensive.

The unfolding of Soviet global strategy centering on the interdiction of oil and nonfuel mineral supplies feeding the economies of the United States, Western Europe, and Japan has also had its impact. The lifeline of the American economy runs from the Middle East through the Indian Ocean—Cape of Good Hope—Atlantic passage and reaches its focal point in the Caribbean rim and basin. Seventy-five percent of all the oil imported into the United States—43 percent of

the total consumption—transits the Caribbean. Moreover, the United States is dependent on other lands for 93 out of 95 strategic minerals. Just as the satellization of Mozambique and Angola in southern Africa jeopardize the West's reserves of cobalt, chrome, and ferromanganese, Soviet-Cuban advances in the Caribbean jeopardize their shipment to the United States and its allies.

The emergence of the Soviet Union as a great naval power gives credibility to this strategy. From what was historically a coastal defense force, the Soviets have built and launched a true blue water capability of global proportions. Whereas the United States has reduced its Navy by over 50 percent in the last 10 years from 976 to less than 450 ships, the Soviet Navy has registered the greatest gains in its entire history. Today, the Soviet Navy is estimated by intelligence sources to be in excess of 2,700 ships.

This fleet has allowed the Soviets to dramatically increase its out of area operations. Soviet naval incursions into the Caribbean, the Indian, Pacific, and Atlantic Oceans—as well as other vital waterways—constitute a direct threat to historic Western and U.S. sealanes. The Soviet capacity to support military land operations in areas such as the Middle East, Southeast Asia, and Africa has already profoundly influenced the course of political events in those areas. Based upon their recently acquired maritime and sea-air logistic muscle, the Soviet Union has established a string of bases and allies which threaten to make the United States a secondary strategic power. The Soviet invasion of Afghanistan and the support of the revolutionary force in Angola and the Horn of Africa—compared with the near complete lack of American strategic resolve—offers the most compelling recent evidence of the shift in the balance of global political power.

In the Western Hemisphere, the Soviet Union, with the assistance of Cuban revolutionary forces, has established a beachhead in Nicaragua for extending its influence throughout Central America with a view of interdicting the vast reserves of 44 billion barrels of oil yet available to America in Mexico. Using neutralist Costa Rica as a sanctuary, Cubans, East Germans, Panamanians, and other international brigades joined the Sandinistas in invading Nicaragua. The Sandinistas were defeated in the field, but the dispatch of U.S. arms to Panama for transshipment to the Sandinistas, U.S. interdiction of Israeli, South African, and Argentine weapons destined for Somoza and the U.S. embargo of munitions for the Nicaraguan National Guard, delivered the Nicaraguan nation to the communist camp.

Since the downfall of Somoza, Nicaragua has become increasingly a

Soviet satellite. The Sandinistas have nationalized the banks, insurance companies, mines, fishing, timber, and grain production. Private schools, including religious ones, have been taken over by the Government. Block-committee surveillance structures modeled after the Cuban Committee for the Defense of the Revolution have been established to provide political education, organization, surveillance, and military training. Cuba has provided thousands of teachers to help the Sandinistas adopt a Cuban-style education reform program that seeks to totally remove parental influence and encourage political indoctrination of all citizens from age 6. Free elections have been labeled as "unnecessary and too expensive" and will not be held until "illiteracy has been eliminated and the population properly educated." Moreover, on March 23, 1980, Pravda announced an agreement between Central Committee members Boris Ponomrev, A. P. Kirilenko and I. V. Arkhipov and Sandinista leaders to establish a Moscow-Managua axis.

From this beachhead, the Soviet Union plans to extend its influence in the Western Hemisphere by supporting leftist revolutionary forces presently at work to undermine the Governments of El Salvador, Honduras, Guatemala, and eventually, Mexico.

The crisis presently raging in El Salvador must be seen against the background of global geopolitical developments and, in particular, within the framework of a Soviet attempt to increase penetration of the Western Hemisphere.

During the past decade the Soviet Union has projected a four-tiered approach to the use of military power. First, in response to America's voluntary decision to limit its strategic nuclear delivery systems in favor of arms control, the Soviet Union undertook the most massive buildup in history designed to outclass the United States in every aspect of strategic programs. Second, under cover of this strategic nuclear strength, the Soviet Union sustained the direct combat of Cuban and Vietnamese proxy forces through the use of a whole array of naval forces, long-range air transports, and weapons shipments. This use of force decided the outcome of conflicts in Angola, Ethiopia, and Indochina. Next, clearly buoyed by a new-found confidence that the correlation of forces had turned in its favor, the Kremlin committed substantial conventional forces of its own in the invasion of Afghanistan. Finally, running throughout this entire period, the Soviet Union and its surrogates have provided massive support for terrorists operating in every area of the world.

It is the fourth tier of military power—international terrorism—which today threatens friendly governments in every corner of the globe.

Under the rubric of "national liberation movements" and "struggles for human rights", so called freedom fighters have received the entire infrastructure of terror from the Soviet Union and the KGB. Money, guns, training, background information, communications, propaganda—all have been made available. Israeli military intelligence states that from 1974 to 1979 practically all weapons used by Palestinian terrorists are weapons originating from the Eastern bloc through such intermediaries as Libya, Syria, and Algeria. Extensive guerrilla courses for the Palestinians have been organized in the Soviet Union, East Germany, Czechoslovakia, Hungary, and Bulgaria. Today, Palestinian guerrilla formations total over 16,000 men with hundreds more coming online each month.

For over a decade the PLO has been actively assisting the Sandinista National Liberation Front (FSLN) presently ruling Nicaragua. Founded in 1963, the Sandinistas have been trained not only in Cuba, but also in the subterranean networks of the PLO and its affiliates in the Middle East. Yassir Arafat himself publicly boasted in Managua in July 1980 that the Sandinistas have received training and indeed had fought with the PLO in the Middle East.

At the present time, Nicaragua harbors the terrorism of the PLO for export. During the assault on the Somoza government, thousands of armed terrorist-guerrillas from Argentina, Chile, Colombia, Panama, Honduras, Venezuela, and Mexico joined the Sandinistas forming international brigades paralleling those of the Spanish Civil War. Terrorist training bases were established throughout Nicaragua at Esteli, Montelimar—the former Somoza estate—Somotillo, Ocotal, Tamarindo, Puerto Cabezas, the Island of Soletiname—in Lake Nicaragua—and in several locations in the Punta Cosequina area a short distance from El Salvador. These training camps are presently being used to prepare terrorists for the assault on El Salvador, Guatemala, Honduras, and activity in South America.

The recent U.S. white paper released by the Department of State details the clandestine military support given by the Soviet Union, Cuba, and their allies to Marxist-Leninist terrorists fighting to overthrow the established Government in El Salvador. Before 1980, the guerrilla groups in El Salvador were ill coordinated and ill equipped, armed only with pistols and a varied assortment of hunting rifles and shotguns. Even then, on the basis of their own 1980 reports and contrary to recent misinformation, they claimed the killings of nearly 6,000 persons, including noncombatant in-

formers as well as Government authorities and military.

The U.S. Presidential elections served to stiffen terrorist activities. Fearing that the election of President Reagan would lead to increased assistance for the Duarte regime, the terrorists announced preparations for a final offensive to create an irreversible situation in the country. By mid-January 1981, when the general offensive was launched, they had acquired an impressive array of modern weapons and supporting equipment never before used in El Salvador by either the insurgents or government forces.

Of particular significance is the evidence found in captured documents of the Communist Party of El Salvador linking this offensive to foreign sources. These documents clearly show that in less than 6 months, Cuba and other Communist countries managed to equip the insurgent forces with an arsenal of modern weapons sufficient to launch a well-armed offensive. Weapons originating from the Soviet Union, Eastern Europe, Vietnam, and Ethiopia were sent to El Salvador via Cuba and Nicaragua. Moreover, it cannot be denied that Marxist-Leninist terrorists are playing a central role in the political unification and military direction of the entire effort.

Unquestionably, the terrorist activities in El Salvador represent a classic case of indirect aggression by Communist powers through Cuba. The much publicized "need" for the United States to use the situation in El Salvador to "send a symbolic message of strength to the world" is in fact a real need to respond to the aggression of international terrorists trained and supplied by the Soviet Union and other Communist powers. Also, the U.S. response—contrary to occasional suggestions—is not a mere public relations ploy. Indeed, it is a course of action designed to secure a vital national interest—the protection of the oil and ore lifelines on the U.S. southern flank.

In 1973 Soviet Premier Leonid Brezhnev told a meeting of Warsaw Pact leaders in Prague that the objective of Soviet foreign policy was world dominance by the year 1985, and that the central control of the West's sources of energy and raw material would reduce it to the condition of a hostage of Moscow.

While the timetable is new, the thought is not, Lenin had perceived the connection between the West and its colonial empires as the "weakest link" which, if destroyed, would lead to the economic and political collapse of the West. Khrushchev also saw advantages to such an approach. An aggrieved Third World, stirred by a strong spirit of nationalism and anticolonialism, and motivated by strong negative feelings toward the West, would provide many opportunities for

a properly formulated Soviet foreign policy. The Western powers could be destroyed at its weakest point.

As the mission-ability of U.S. strategic and conventional forces have become increasingly problematical, the perception of the United States as a great power has declined. Acting below the threshold of danger, the Soviet Union has become free to range throughout the world at will relying on the use of proxy forces and international terrorist organizations. Such a war constitutes for the U.S.S.R. a low-cost, low-casualty, low-visibility form of attack. It precludes any risk to Soviet people, farms, or factories. It is described simply as "peaceful competition", or "peaceful coexistence", where the danger of superpower confrontation can be controlled and minimized. But to the West, it is a strategy that is deadly.

As has already been witnessed, the Soviets have much influence in Iraq, Syria, Libya, and Mozambique with the new state of Zimbabwe seen tilting more to Moscow than the West. Subversive and covert action activities have been extensively directed at South Africa, Namibia, Zambia, Chad, Zaire, Sudan, and Western Sahara, as well as Turkey, Oman, and Saudi Arabia. In the Caribbean and Central American region, Castro has close ties with Grenada, Guyana, and Nicaragua, and until recently, was on the verge of overthrowing the Government in El Salvador.

What lies behind all this activity? Undoubtedly, the Soviet Union has its eye on the critical oil and nonfuel resources coming from Africa and the Middle East. Without these resources, the Western economies would collapse. Second, the strategic sealanes and the chokepoints of the world's waterways—the economic lifelines of the West—are also targeted. In the Western Hemisphere, the Soviet Union seeks control over the Panama Canal as well as such critical resources as Jamaican bauxite and the vast oil reserves in Venezuela and Mexico.

To be sure, Soviet command of the seas would not only deny Western access to much-needed resources, it would effectively deny any future Western repenetration of the area in which they are available. Should this come about, the Soviet Union would stand poised to impose a new world order over the Eurasian/African land mass, a world order Marxist inspired and Soviet dominated. Moreover, if the Kremlin were to destabilize and effectively penetrate the Caribbean and Central American region, the United States would be forced to assume a fortress America posture. This would not, however, be a strong America. Without the vital resources contained in other areas of the world, the American economic, political, and

social order would eventually come unraveled.

In short, there is a pattern behind Soviet activities around the world. For some time, the Kremlin has been engaged in a global geostrategic offensive designed to shift the world's balance of power by striking at the heart of the West's economic and political order. The means are at a low threshold of violence, but the goal is world dominance.

Today, the Western nations—caretakers of Judeo-Christian values preserved and fostered over 2,500 years of human history—stand in imminent peril. Through the appeasement policies of the recent past, the Soviet Union has been afforded a window of opportunity over the West which they are actively and aggressively pursuing. The events occurring in El Salvador are only a part of this larger effort. But, they are a part. Should they all succeed, as they have in many areas of the world, the West could be defeated without having fired a shot.

Only within this larger global context can current strategic developments in the soft underbelly of the Caribbean rim and basin be adequately assessed. ●

EL SALVADOR

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. YATRON. Mr. Speaker, I join with my colleagues in support of H.R. 1509, which I believe will mitigate some of the turmoil and violence in El Salvador.

American policy with respect to El Salvador must be aimed at bringing an end to the internal strife and human suffering, establishing long-term stability, and preventing the installment of a Marxist, Soviet-dominated regime in that country. I fully support efforts to prevent Soviet-Cuban weapons from entering that country. However, I also believe that the United States should withhold military assistance to the junta until they end their oppressive tactics against the innocent population. Military aid, at this time, will only serve to aggravate the violence in El Salvador. We simply cannot associate ourselves with the malevolent acts perpetrated by the junta against innocent people.

Preventing the influx of Soviet weapons to the guerrillas and precluding security forces from using American weapons against the population will lessen hostilities, and facilitate instituting the necessary political reforms that will bring a lasting peace to that country. I believe that H.R. 1509

is a major step toward achieving our objectives in El Salvador. ●

CURB AUTOMOBILE IMPORTS FROM JAPAN

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. HILLIS. Mr. Speaker, yesterday, Congressman WILLIAM BRODHEAD and I sent President Reagan a letter signed by 41 other Members urging him to support efforts to curb automobile imports from Japan. I am inserting a copy of that letter in the RECORD at this point with the names of every Member who signed it.

HON. RONALD REAGAN,
President, The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The automobile industry is one of the most important industries to the U.S. economy. The stimulus to growth that the industry provides to the American economy is not often recognized.

It is our understanding that your Administration is nearing a decision on the entire issue of automobile imports. We feel that it is important for you to understand that there is strong sentiment in the Congress for curbing Japanese imports.

The automobile industry accounts for 21% of the demand for American steel, 25% of the market for American cast iron and machine tools, and 22% of our aluminum, not to mention rubber, plastics, textiles, lead, electronic components and automotive glass. In the final analysis, 20% of American jobs depend directly or indirectly on the automobile industry. If your economic recovery program is to be successful, the U.S. automobile industry must be able to compete with Japanese imports and recover their loss of sales over the past two years.

It is apparent to us that the events which led to the near collapse of the industry over the last two years will also produce another year of poor sales in 1981.

Last year, Japanese imports accounted for 21.2% of all cars sold in the United States. So far this year, Japanese cars account for 23% of all cars sold in the U.S. Unless this trend is reversed, we run the risk of not only Chrysler, but Ford and GM facing serious financial troubles in the near future.

As you may know, import limitation bills have been introduced in both the House and Senate. Should the Japanese refuse to adopt some form of voluntary limits sufficiently low to protect U.S. manufacturers, we are confident that legislation will be forthcoming to place mandatory limits on Japanese imports.

We urgently request that you consider the impact of the automobile industry on the entire economy and act to slow the flood of Japanese imports. We fully understand the arguments in favor of free trade. However, the urgency of this situation and the importance of the automobile industry mandate that we act to prevent the industry from being dismantled.

Sincerely,

Mr. Elwood H. Hillis, Mr. William Brodhead, Mr. David Bonior, Mr. Robert Davis, Mr. Robert Young, Mr. Dale Kildee, Mr. Robert Roe, Ms. Barbara Mikulski, Mr. Ronald Mottl, Mr. William Ford, Mr. Lyle Williams.

EXTENSIONS OF REMARKS

Mr. Dennis Hertel, Mr. John Dingell, Mr. Don Bailey, Mr. Adam Benjamin, Mr. William Broomfield, Mr. Cecil Hefel, Mr. Dennis Eckart, Mr. Donald Albosta, Mr. Andrew Jacobs, Mr. Tony Hall.

Mr. John Seiberling, Mr. Thomas Luken, Ms. Mary Rose Oaker, Mr. Clarence Miller, Mr. John Conyers, Mr. Bob Traxler, Mr. Bernard Dwyer, Mr. Ken Holland, Mr. Marty Russo, Mr. Donald Pease, Mr. Floyd Fithian, Mr. Carl Purcell, Mr. Harold Hollenbeck, Mr. Howard Wolpe, Mr. William Gray, Mr. Austin Murphy, Mr. Les Aspin, Mr. Samuel Stratton, Mr. Tennyson Guyer, Mr. Philip Sharp, Mr. James Oberstar, Mr. James Blanchard. ●

LEGISLATION INTRODUCED TO HALT TAX STRADDLES

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BRODHEAD. Mr. Speaker, the growing use of so-called tax straddles is rapidly becoming one of the most serious abuses of our Federal income tax system. By using this scheme, high-income taxpayers undertake a complicated series of transactions in the commodities market whose sole purpose is the creation of large, artificial tax losses. These transactions involve little or no risk, and provide essentially no potential for gain.

Together with my colleague, BEN ROSENTHAL of New York, I have introduced legislation to halt the use of tax straddles. Our bills, H.R. 1293 and H.R. 1338, would deny tax deductions for these paper losses. Senator PATRICK MOYNIHAN recently introduced similar legislation, S. 626. I am hopeful that this legislation will be enacted this year.

The following article from the Commodity Journal describes how tax straddles work, their enormous potential for tax avoidance, and the damage they cause in the commodities market. I strongly recommend it to my colleagues.

[From the Commodity Journal, March 1981]

TRANSACTIONS COST GOVERNMENT BILLIONS—SILVER STRADDLES: FUTURES TAX DODGE

(By Paul W. Wilderson)

It's that time of the year, once again, when the thoughts of most Americans turn increasingly to a common subject—income tax. And in recent years, as the April 15 deadline has loomed closer, more and more taxpayers have also begun to think of commodities. Although this might seem an odd juxtaposition of interests, it in fact has been grounded for many people in a solid economic base.

The connection between commodities and income tax was made in the early 1970s by the giant brokerage firm of Merrill Lynch, Pierce, Fenner and Smith, Inc. At that time, Merrill Lynch devised a plan by which customers who had experienced large financial

gains during the year, could limit their tax liability by participating in certain commodity trades. Known broadly as tax straddles, these transactions are also commonly referred to as silver straddles or silver butterflies, based on the commodity most often involved and on their configuration when diagrammed on paper.

As the effectiveness of silver straddles in reducing taxes became evident, their popularity with taxpayers grew. As their popularity grew, however, the Internal Revenue Service also took an increased interest in them. The result was a 1977 IRS ruling that deductions taken for losses incurred in tax-straddle schemes were not allowable.

MARKET DISTORTIONS

The upshot of all this has been a myriad of pending court cases, none yet resolved, involving taxpayers, the IRS, and brokerage firms. The seriousness with which the tax straddle issue has been taken was evidenced recently with the nomination of Donald Regan as Secretary of the Treasury by President Ronald Reagan.

As chief of the world's largest brokerage firm, Regan possessed unchallengeable professional qualifications. Yet, when his name surfaced, eyebrows shot up and in some quarters serious reservations were expressed about his fitness for the position. The reason—Regan served as chairman of Merrill Lynch, the firm that pioneered the commodity tax straddle, the tax shelter that had cost the federal government billions of dollars. A writer in Barron's likened Regan's appointment to a general changing sides in the middle of a battle. With Regan now heading up the IRS, an equally apt analogy would have been the proverbial fox placed in charge of the chicken coop.

What is clear is that tax straddles have become a highly volatile subject within financial circles. Much of that is due to the fact that straddles have allowed many citizens to avoid paying large amounts of taxes. Just as important, but not as well known, however, are the dysfunctions that silver straddles cause in the commodity markets.

Because commodity tax straddles inject a large volume of fictitious trade into the commodity markets, they distort the statistical picture of those markets. Straddles also give a large element of unreality to the price structure of the markets, because the buying and selling has no real meaning in the markets; it is done merely for tax purposes. In general, the use of commodity tax straddles is a misapplication of the market system, which was designed to provide supply and demand information for commodity users.

SILVER BUTTERFLY

What is a silver straddle? Some refer to it as an "exotic" investment technique, and in truth it can become complex enough so that large brokerage houses refer all such business to specialists. In its basic form, however, the idea of the straddle is simple and straightforward. It involves setting up two silver deals that are mirror images of each other, one to buy and the other to sell. Thus, regardless of whether the price of silver moves up or down, one transaction will make a gain and one a loss. The loss is to be taken in the present year to provide a tax deduction. The gain will be delayed until the following year, when it can qualify for a lower tax rate.

As an example, a straddle participant might buy long—agree to purchase at a fixed price at some month in the future—a certain number of silver futures contracts.

At the same time he would sell short the same number of contracts—agree to deliver at a fixed price the same amount of silver in another future month. Any price change—up or down—will produce offsetting gains and losses in the two sides of this transaction.

If the price of silver falls, the long position will lose money because the investor is locked into an agreement to buy silver at a price higher than the market. He can then close out that position, realize the loss, and use it for the needed tax deduction. On the short side, the investor has locked in his gain because he will be selling silver at a price higher than the market price. That gain will be realized in the following year.

There can be a profit or loss in these transactions, resulting from the differential in prices of the months in which one is contracted to buy and to sell. However, because the two contracts largely cancel each other out, and because there is small chance of a wide price fluctuation, the prospects for a large profit or loss are small.

Because the chance of a large loss (or gain) on one of these transactions is not great, someone trying to create a large deduction to counteract a sizable gain made during the year will probably have his broker put together more than one of these transactions. This is where the complexity begins. When diagrammed on paper, these overlapping straddles often assume the shape of a butterfly, thus the term "silver butterfly."

ALLEGED BENEFITS

The benefits to an individual are numerous. In the first place, a loss for a tax deduction can be created. In addition, a taxpayer's rate can be reduced by as much as 42 percent. Ordinary income—taxed in the highest bracket at 70 percent—can be turned into a long-term capital gain, which is taxed at only 28 percent. Most investments have to be held for a full year to qualify as a long-term capital gain. Commodity investments, however, can qualify after only six months.

A commodity shelter also will defer income to a later year which, according to Jerome Kurtz, former Commissioner of Internal Revenue, is "a significant economic benefit." The taxpayer who accomplishes this, declares Kurtz, "receives the equivalent of an interest free loan from the government for the period of deferral."

The term "silver straddle" is used because, until recently, silver was the commodity most often involved in creating a tax straddle. That was because the price of silver was relatively predictable. When the Hunts moved into the silver market, though, and brought with them the wild fluctuations in price that culminated in the spring of 1980, those interested in tax straddles began to look to other commodities such as gold.

NO TAX DODGE

Although tax straddles are causing major dysfunctions in the commodity markets, it has been the tax issue that has created the major controversy. The IRS began its attack in 1977, but the story begins several years earlier.

In 1972, Merrill Lynch actively began looking for taxpayers with short-term capital gains that would be taxed at a high rate. To facilitate this search, the brokerage sent a promotional recording to its agents, describing the commodity tax straddle and explaining its purpose—"changing short-term situations with high tax rates into long-term, with a maximum tax rate of 25 per-

cent to 35 percent. Said another way, tax straddles enable us to create, for a reasonable cost, the capital gains and losses we need to materially change the tax liability of high-bracket taxpayers."

In 1973, Harry L. Smith and Herbert J. Jacobson found the answer to their needs in the Merrill Lynch tax straddle department. Smith and Jacobson had begun to put up an apartment building on a piece of land that they owned, but sold it for a good profit before it was completed. Had they sold the land without the improvements, they could have qualified for a long-term capital gain. But since the building was begun less than six months earlier, they would be liable for taxes as high as 70 percent.

Merrill Lynch, however, came to the rescue. Two silver straddles were purchased for Smith and Jacobson that taken together formed a butterfly spread. Several days later another silver butterfly was purchased. From these transactions, Smith and Jacobson suffered a loss of just over \$95,000. They claimed this immediately on their taxes. The gain side of the straddles, however, amounted to nearly \$94,000. This they realized six months and four days later—in the following year—as a long-term gain. Thus they gained a large deduction and also replaced a short-term gain with a long-term gain and cut their tax rate from as much as 70 percent to as little as 25 percent. This they accomplished for an actual loss on the trades of about \$1,000, plus \$4,000 in commissions.

This was exactly the result Smith and Jacobson wanted. It also was the kind of transaction that proved the viability of the tax straddle department at Merrill Lynch. The IRS, however, was not as pleased, and in 1977 it disallowed the deductions taken in this case. Why? The IRS admitted that each step taken by itself was perfectly legitimate. But the agency went on to declare that "The various purchases and sales, each real without the other, neutralize one another and fairly shout to the world the essential nullity of what was done . . ." The complicated and involved method of doing nothing had no purpose, save the erection of [a] facade . . ."

Smith and Jacobson refused to accept the ruling and instead brought suit against the IRS. They also sued Merrill Lynch. The case was set for November 1980, but by that time the plaintiffs had offered to pay some \$50,000 in back taxes and drop the case. As it later turned out, Merrill Lynch had offered more than twice that sum to Smith and Jacobson to drop their suit against the broker. Understandably Merrill Lynch did not want a final precedent-setting court decision on this important tax case.

The IRS charged that Merrill Lynch tried to buy off Smith and Jacobson. Judge Arthur L. Nims seemed to feel that some kind of resolution was needed. "Are we going to gear up for trial after trial," he asked, "and have Merrill Lynch coming in at the last eleventh hour getting rid of the case?" Smith and Jacobson were not allowed to drop their suit and the case has been continued.

BILLIONS IN LOST REVENUES

The case of Smith and Jacobson is far from the only one in the courts involving commodity tax straddles. It is only the best known. There currently are hundreds of cases pending involving over \$50 million. The IRS has singled out the commodity tax straddle as the number one abusive tax shelter, saying these transactions cost the feder-

al government more than \$3 billion a year in lost revenues.

Judge Learned Hand once noted that "anyone may so arrange his affairs that his taxes shall be as low as possible . . ." Jerome Kurtz, who recently resigned as head of the IRS, agrees that taxpayers are free to undertake any legitimate purposeful endeavor which also happens to lessen their tax burden. On tax straddles, however, Kurtz draws the line. Silver straddles and butterflies, he claims, are not undertaken for legitimate market reasons, but only for the purpose of tax avoidance. The major criteria that the IRS has set up for legitimate transactions on which losses can be claimed, are profit potential and risk.

In a statement before the House Subcommittee on Commerce, Consumer, and Monetary Affairs, Kurtz declared, "It is clear to us that transactions such as these are wholly tax-motivated and without any real economic substance." Because a constant spread position was maintained, there was very little chance for profit. Risk also is negligible because of the minimal margin requirements involved. In fact, most purchasers of commodity straddles know almost nothing about the transactions themselves. Their only concern is that they incur a tax loss with little risk—something that the brokers' promotional literature emphasizes and promises.

Roger Gray, a Stanford University professor and leading commodity theoretician who was hired by the IRS, claims that the chances of profiting on a silver butterfly are less than the 36 to 1 odds of winning at roulette. "It is inherently inconceivable," says Gray, "that butterfly spreads in silver futures . . . would have been traded for their profit potential."

NO PROFIT POTENTIAL

Why would anyone make a substantial investment in the commodity markets with little hope of making a profit? The only answer is to gain some other financial benefit. That benefit, of course, is a large tax writeoff. The purpose of the commodity markets, however, is not to provide individuals with tax deductions. When millions of dollars are invested for that purpose, and that purpose alone, a highly artificial situation is created. That money bears no real relationship to actual supply and demand. It only skews the overall market picture, causing a major dysfunction in the commodity markets.

The tax straddle situation has been deemed serious enough to warrant the introduction of a bill in Congress to outlaw the practice. Retired Congressman Charles Vanick (D-Ohio), who authored the bill, called the silver butterfly "the biggest loophole in the federal income tax system." Vanick was among a number of Congressmen who wanted assurances from the new Treasury Secretary that these types of tax avoidance schemes would not be tolerated in the future.

The IRS has, in fact, made a serious effort to crack down. The agency is specifically training tax examiners to look for commodity transactions that might be tax shelters. Returns now are audited on the basis of total positive income before any deductions or adjustments. Under the old system, there was relatively low audit coverage after large deductions were made. Now, anyone participating in a commodity tax straddle transaction is almost certainly assured of having his tax return audited by the IRS.

AFTER-HOURS TRADING SESSIONS

Although brokers are still distributing literature describing the tax straddle, they are not doing it with their previous enthusiasm. Coopers & Lybrand attached the following note to its straddle advertising: "Caution: Straddles could involve significant risks or economic loss as well as commission costs. Further, they are under attack by the IRS." After the 1977 IRS ruling, Shearson Loeb Rhoades, Inc. actively discouraged its customers from participating in tax straddles. Customers who still wish to undertake such a proposition are required to sign a statement that they are not doing so on the advice of Shearson Loeb Rhoades.

Other brokers such as Bache, Halsey, Stuart, Shields and E. F. Hutton have taken similar measures. Merrill Lynch has changed what was formerly its "Tax Straddle Office" to the more mundane and vague "Office of Financial Affairs."

Commodity brokers still insist, however, that there is risk involved with any commodity transaction. A recent article in The Washington Post reported that the futures industry "has organized a legal, legislative and lobbying campaign" to nullify the IRS ruling and prevent passage of the bill in Congress that would make commodity straddles illegal.

Another IRS effort involves the establishment of a liaison with the Commodity Futures Trading Commission, in order to gain information and assistance in tracking down tax straddle schemes. This is particularly crucial, because the CFTC has authority over the commodity exchanges such as New York's Comex, where special after-hours sessions facilitated the trading of silver straddles. These sessions, which had been going on under an "emergency rule" at Comex since before the CFTC was created in 1975, allowed traders to buy and sell silver straddles without competitive bidding. Critics charged that this system allowed brokers to obtain the prices they needed to achieve their desired tax objectives. In the summer of 1980, the CFTC moved to curb these practices at Comex.

MAJOR MARKET DYSFUNCTIONS

Although silver straddles have made headlines recently because of the billions of dollars they are costing the Internal Revenue Service, they should be of equal interest to commodity investors because of the effect they are having on the commodity markets. As noted by Thomas P. O'Hare, head of what used to be Merrill Lynch's Tax Straddle Department, "commodity straddles for tax purposes have come to be a rather large part of the overall commodity business."

Because of their volume and the fact that they have nothing to do with the original purpose of the commodity market, tax straddles prove to be just one more major dysfunction of an already artificial futures system that relies on paper trading of products that don't exist. In the opinion of CFTC chairman James M. Stone, "the use of commodity markets for tax avoidance is harmful to commodity markets." As Stone points out, the markets were designed to help commodity users determine the real supply and demand of goods, so that a fair evaluation of their future value could be made. "Anyone in the market for reasons other than supply and demand decisions," Stone believes, "is a potential source of distortion."

ABT CENSURES STRADDLES IN 1972

Tax straddles received scrutiny and opprobrium by The American Board of Trade

long before they came to the attention of the IRS. In a July-August, 1972 Commodity Journal article dealing with badly needed reform in the commodity business, Joseph Bianco, administrative assistant with ABT, wrote: "Contributing * * * to * * * artificial price movements in commodities are 'tax spreads', or the initiation of a completely hedged position between two floor traders for tax purposes only. To the analyst, professional as well as amateur, the distortions in volume and open interest figures that result from tax spreading can be disastrous."

In 1973 a body of proposed legislation on commodity exchange reform was prepared by Yale Legislative Services of Yale University Law School, in conjunction with The American Board of Trade and the American Association of Commodity Traders. As stated at that time in Commodity Journal, one section of those proposals, "in another attempt to curb manipulation as resultant artificial prices, prohibits 'tax spreads' which are completely hedged positions initiated by two cooperating individuals for tax purposes only. These serve to distort market statistics as well as prices, and should be outlawed * * *"

It now looks as though what The American Board of Trade recommended nearly a decade ago as commodity futures market reform, will come to pass as the result of tax reform. ●

"GET AMERICA WORKING"
WEEK

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. O'BRIEN. Mr. Speaker, Star Publications of Chicago Heights, Ill., a member of the Williams Press newspaper group, owns 15 biweekly newspapers with a combined circulation over 90,000.

Troubled by recent unemployment statistics in Chicago's south suburban area, which it serves, the management of Star Publications has declared April 5 through 11, 1981, "Get America Working" week.

The 30 issues of their papers during that week will contain a job-wanted directory for people seeking employment. Inclusion in the directory will be free of charge to the unemployed in all the communities served by Star Publications.

I believe this idea is a fine example of community service. Star Publications is to be commended for its creativity in responding to the human tragedy of unemployment. ●

TRIBUTE TO SCOUTMASTER
EDWARD SZCZEPANSKI

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. BENJAMIN. Mr. Speaker, allow me to take this opportunity to ask my

colleagues to join with me in commending and congratulating Scoutmaster Edward Szczepanski who is receiving national recognition as Scoutmaster of the Year. Scoutmaster Szczepanski will be honored at dinner on March 21 at the parish center of the St. Stanislaus Church in East Chicago, Ind.

Each year there are only four scoutmasters in the entire country which are selected from various regions to receive this high honor. Scoutmaster Szczepanski has been chosen from a six-State eastern-central region to receive Scoutmaster of the Year for his outstanding service in scoutmaster work by the National Eagle Scout Association of the Boy Scouts.

Edward Szczepanski has been a scoutmaster of troop 7 in connection with St. Stanislaus Parish for 18 years. The distinguished troop is one of the oldest troops in the region, dating back to 1917.

Prior to this, he served as an assistant and committee member of troop 7 for 6 years. His 24 years of unselfish service and devotion to troop 7 have resulted in 51 outstanding young men achieving the rank of Eagle Scout. Of these 51 Eagle Scouts, 5 were his own children.

Scoutmaster Szczepanski is a World War II veteran and is very active in the American Legion Post 369. He has been very involved in community and church affairs and recently served as the president of the Holy Name Society. He is employed as an instrument service technician in the basic oxygen furnace section of Inland Steel Co.

I believe that he has shown exemplary conduct and devotion to his community. I know my colleagues and the citizens of the entire south-side community of East Chicago join with me to wish him even greater success in the future and to encourage him to persevere in his inculcation of the values and attitudes cherished in a free and democratic society. ●

WHITE PAPER OR BLANK PAPER

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. EDWARDS of California. Mr. Speaker, I would like to take this opportunity to address my colleagues on the situation in El Salvador. As you may know, I am a cosponsor of Representative STUDDS' bill to cut off military aid to El Salvador and a signatory of several letters to the White House expressing disapproval of their policies. My stand on this issue is clear.

I am extremely disappointed by the way the White House has been able to manipulate the issues at hand in El Salvador. Through the production of a

white paper detailing the supposed Cuban and Soviet complicity in the revolution, they have managed to change the perspective from which we view our role in El Salvador. No longer are we supposed to be concerned with why the people of El Salvador would choose the painful course of revolution. The question is now, Are the Soviets and Cubans trying to send arms into El Salvador? I do not think it would surprise any of us to discover this is the truth. We should expect the Soviets to seize on any opportunity of domestic unrest to try to further weaken American influence abroad. The question remains, Why does the unrest exist in the first place?

There are many statistics which graphically illustrate the disparity of incomes in that country. The 4.8 million people of El Salvador are among the poorest in all of Latin America. The average worker earns under \$4 a day, and less than half the work force is employed year round. The 2 percent of the population who own 60 percent of the land are known to enjoy great wealth. Perhaps the most alarming figures are the latest ones which show that there are only 0.3 physicians per 1,000 citizens, while there are 1.9 troops for the same 1,000.

The problems in El Salvador are not military. They are political and economic. However, a continued commitment by our Government to provide further military assistance and advisers threatens to force a military solution to the problems.

I would like to thank my colleague, Congressman STUDDS, for providing me the opportunity to make known my views on El Salvador. In addition, I insert into the RECORD an editorial which appeared in the Los Angeles Times which critically appraises the administration's assertions in the white paper on El Salvador.

WHITE PAPER OR BLANK PAPER?

(By John Dinges)

When the State Department released its report on Soviet-bloc support of guerrillas in El Salvador on Feb. 23, it also released 100 copies of a 1½-inch-thick packet of documents to support the Reagan Administration's decision to increase military aid to the Salvadoran government. The meat of the documents' original raw intelligence consists of 47 pages of handwritten jottings, memoranda and minutes of meetings, culled from confiscated guerrilla files.

Leaving aside the matter of the documents' authenticity, they unquestionably demonstrate that socialist countries have supported the efforts of the opposition to overthrow El Salvador's ruling civilian-military junta, and that immense quantities of arms and ammunition were on their way at the time the Salvadoran guerrillas launched their abortive January offensive.

But these very same documents—in addition to other intelligence reports available to the Reagan Administration that were not included in the White Paper—provide conclusions that fall far short of the Administration's portrayal of El Salvador as an arena of U.S.-Soviet confrontation.

The White Paper charges that 800 tons of arms were promised, and 200 tons were delivered, to the insurgents by the time of the offensive. The captured documents, however, indicate that far less quantities were promised or in shipment, and only about 10 tons ever actually crossed the border.

Battlefield evidence gathered since January, including the statements of a captured Nicaraguan soldier-turned-informer, reveals that the guerrillas were forced to depend on relatively antiquated rifles and other weapons purchased on the international black market.

In contrast to the Reagan Administration's interpretation that the Soviet Union masterminded the arms traffic, the documents reveal that the guerrillas' Communist Party representative encountered a cool reception in Moscow, and was deeply concerned that Soviet "indecisiveness" might jeopardize any promise of arms made by other socialist countries.

According to Robert Pastor, a Latin America expert in the Carter Administration, much of the information used in the White Paper, was in U.S. hands before Reagan took office, and had been taken into account in earlier policy decisions. The threat of an increased arms flow was a key factor in Jimmy Carter's decision to resume shipments of U.S. weapons to the junta shortly before he left office. But the documents did not alter the conclusion of experienced Carter analysts that the guerrillas were an indigenous movement, largely independent politically of outside forces. Nevertheless, citing the same intelligence, the Reagan Administration announced it was sending more military advisers and \$25 million in additional military aid to El Salvador.

In historical terms, the White Paper and its support documents could become the functional equivalent of President Lyndon B. Johnson's now-discredited reports to Congress of North Vietnamese attacks on U.S. patrol boats, which led to the Gulf of Tonkin resolution in 1964—and eventually to the war in Vietnam.

Read literally, the Salvadoran documents portray a period of nearly a year in which a relatively haphazard coalition of guerrilla forces and civilian politicians forged a united general command, the United Revolution Directorate; obtained arms and logistical and political backing from socialist countries, particularly Nicaragua and Cuba; confronted serious supply bottleneck problems, and finally launched the offensive that sputtered into isolated skirmishes and sabotage after 10 days.

If the Soviet Union and Cuba were pulling the strings behind the guerrilla movement, as Secretary of State Alexander M. Haig Jr. has charged, evidence of such control is not to be found in the captured documents.

The State Department White Paper says that the documents show "commitments (by the socialist countries) to supply the insurgents nearly 800 tons of the most modern weapons and equipment, (and) the covert delivery to El Salvador of nearly 200 tons of those arms, mostly through Cuba and Nicaragua."

Yet, reading the documents, it is impossible to determine where these numbers come from. The State Department has declined further elaboration on its conclusions, and has stopped providing copies of the original documents. The highest figure mentioned anywhere in the documents is in a handwritten letter, dated Nov. 1, from a certain "Vladimir," who was identified by the State Department as the guerrillas' logistics coor-

dinator in Nicaragua. He wrote that 150 tons of arms had arrived in Cuba, and that "this week" there would be a total of 300 to 400 tons destined for the guerrillas—but that plans to smuggle "109 tons" into El Salvador in November were "almost impossible." Another document, the minutes of a guerrilla general staff meeting in late September, reported that only four of 130 tons of arms in storage had been smuggled into El Salvador.

A U.S. intelligence officer with wide experience in Latin America during the past decade said the tonnages reported in the White Paper were "highly unrealistic . . . unless they slipped in a few tanks," and "hiding the weapons and protecting them from corrosion in tropical El Salvador would make such large quantities a liability."

Neither official battlefield reports nor journalists on the scene have reported large quantities of weapons captured from guerrillas.

Other sources of intelligence that tended to contradict the picture of huge arms shipments were available to Reagan analysts, but were not included in the packet of documents. For example, on Jan. 30, Salvadoran government forces captured a Nicaraguan, Lt. Orlando Tardencilla, who admitted that he led a group of 130 Salvadoran guerrillas in battle. According to Foreign Broadcast Information Service, which is operated by the CIA and distributed to other government agencies, Tardencilla said that the guerrillas received support "at the finance level, mainly so they may buy weapons on the black market . . . (Cuba) gives more money than arms so that the government does not get implicated. Although 12 tons of arms have been sent to El Salvador, this represents only 1% of what is at the disposal of the guerrillas outside the country."

The key document in Reagan's case that the Soviet Union is the mastermind behind the insurgency is a report of Salvadoran Communist Party chief Shafik Handal's tour of Vietnam, Ethiopia, Bulgaria, Czechoslovakia, Hungary, East Germany and the Soviet Union last June and July. It is the only piece of evidence that actually mentions the Soviet Union, with the exception of a passing reference in another document to a "Sov." being present at a meeting in Mexico City with socialist diplomats. According to the White Paper, Handal left Moscow "with assurances that the Soviets agreed in principle to transport Vietnamese arms."

The supporting document, however, reports that Handal "expressed his unhappiness with the denial of a meeting at the proper level and the non-resolution of the request for help." A few weeks later, according to the document, the Soviets granted his request to give military training to 30 (presumably Salvadoran) youths studying in Moscow, but ignored his request to ship the Vietnamese arms. The document concludes, "The Companiero (Handal) expressed his concern that the Soviets' indecisiveness could affect not only the help they might give but also (prejudice) the willingness to cooperate of the other parties of the European socialist camp . . ." There, in mid-sentence, the document provided by the State Department ends.

Carter Administration specialist Pastor said that until late last year intelligence reports showed relatively small amounts of arms entering El Salvador with Cuban help. Then Handal's mission was discovered, Pastor said, and in the second week in January a "quantum leap" in intelligence showed

large amounts of sophisticated weapons in the hands of the guerrillas as they opened their offensive. These reports were a major factor in the Carter decision to resume "lethal" aid—guns, ammunition and helicopters—coupled with an insistence that the junta continue its reform programs.

Pastor takes issue with the Reagan Administration's interpretation of the information cited in the documents. "They say the Cubans are directing it all. We say it is led, organized and directed by the Salvadorans, that the Soviets and Cubans are supporting it . . . exploiting it for their own ends. Even if the Soviet Union and Cuba went away, the problem would not go away."●

TO CELEBRATE 25 YEARS OF SERVICE

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. LUJAN. Mr. Speaker, the month of April marks a significant anniversary for a New Mexico organization which has provided outstanding service to the entire State and risen to the challenge of a demanding profession.

Today I wish to pay tribute to the New Mexico Association of Nurse Anesthetists as it celebrates its 25th anniversary of service. During that time the association has earned a reputation as a dedicated group of professionals who have gone that extra mile to perform medical service for thousands.

The New Mexico Association of Nurse Anesthetists has been particularly valuable to New Mexico's smaller communities. There have been times when there have been no practicing doctors available in these rural areas, leaving the job of providing desperately needed medical service to members of the association.

The tireless efforts by the 1,500 active members in the group to set and maintain high standards for their profession has been an example to the Nation. New Mexico was the first State to require certification for nurse anesthetists through the Nurse Practice Act. The act was adopted at the urging of the association and has served as a model for other States.

Next month's silver anniversary of the New Mexico Nurse Anesthetists Association is an event all New Mexicans join in celebrating. I'm sure my colleagues join with me today in extending congratulations and best wishes for the future to an organization which has made New Mexico and the Nation a better place in which to live.●

FATE OF EDA

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. MITCHELL of New York. Mr. Speaker, as Congress endeavors to bring about an economic recovery of our Nation and as we deliberate the fate of the Economic Development Administration, I think it is important for each of us to be aware of the experience and opinions of those individuals who are in the front lines of the battle for economic revitalization—the private businessmen.

Toward that end, I would like to share with my colleagues a letter from Richard L. Karpen, the president of a firm in my congressional district—the Library Bureau of Herkimer, N.Y. The Library Bureau's experience with the Economic Development Administration program has prompted Mr. Karpen to express his strong support for the preservation of EDA.

The letter follows:

LIBRARY BUREAU, INC.,

Herkimer, N.Y., March 10, 1981.

HON. DONALD J. MITCHELL,
Member of Congress, Rayburn House Office
Building, Washington, D.C.

DEAR CONGRESSMAN MITCHELL: As someone who has seen the endless benefits brought into a community by the Economic Development Administration, I am writing to express my full support for retaining this Administration.

Businesses today in need of financial support find it most difficult to compete for dollar assistance strictly through banking channels. This is especially true in New York State where the economy is depressed, and in our area where unemployment is high. These businesses are the backbone of the nation meeting the needs of many people and must be encouraged.

Specifically, I refer to the Library Bureau, Inc. (formerly Library Bureau Division of Mohawk Valley Community Corp.) of Herkimer, N.Y., a 105 year old company. It was formed in 1876 by Melville Dewey, inventor of the famous Dewey Decimal System cataloging method for libraries.

The Library Bureau (LB) is the largest manufacturer of wood and steel products for the library market in the USA. LB's products can be found at places like Notre Dame University, Yale University, Princeton University, New York University (more than a \$1 million job), the Library of Congress and at hundreds of elementary and high schools throughout the nation. LB's products also can be found at U.S. Embassies and at U.S. Government Information Agencies around the world. The LB is pursuing the foreign library furniture market more zealously.

Library Bureau exists today because farsighted people from the political and banking sectors, Economic Development Administration, our employees and the community pulled together to save the LB and 276 jobs in the Mohawk Valley after Sperry Rand Corporation's announcement on March 29, 1976 that the LB was to be closed.

LB is a publicly held corporation of 3,500 stockholders who contributed \$2,268,652 in

equity, arranged bank loans of \$1,700,000 with the Oneida National Bank and \$400,000 with the Savings Bank of Utica and a \$2,000,000 loan with the Economic Development Administration. These financings allowed LB to remain an active company in September 1976.

Since you were instrumental in making this action a part of the Congressional Record, you know the details of the formation of LB as a public company. You, along with John Ladd (Executive Director of the Mohawk Valley Economic Development District) and the United States Economic Development Administration played significant roles in keeping jobs in the Mohawk Valley, as well as assisting in the start up of a steel manufacturing facility in Vineland, New Jersey one year after the formation of LB. Vineland, N.J. is another depressed area in the United States and this steel facility today employs 75 people.

In order to put the EDA loan to LB in perspective, it should be noted that LB has contributed the following to the Mohawk Valley and Vineland areas over the past four years:

Paid gross payrolls of.....	\$15,339,260
Purchased logs, lumber, steel and supplies in the local areas in excess of.....	10,000,000
Withheld Federal taxes totaling.....	2,210,044
Withheld FICA totaling.....	1,778,263
Withheld State taxes totaling.....	554,843

Reduced the original loans as follows:

(a) Oneida National Bank: from \$1,700,000 to \$200,000.

(b) Savings Bank of Utica: from \$600,000 to \$563,407.

(c) EDA Loan: from \$2,000,000 to \$1,637,806.

(d) NJEDA Loan and Guaranty Bank: from \$871,000 to \$702,050.

This is a gross loan reduction of \$2,067,737.

We have also expended in excess of \$500,000 in new machine tools to improve efficiency and decrease our product costs.

I believe, on the whole, that the LB and the EDA story has been a positive one. While it is difficult to measure the value of keeping jobs in a depressed area thereby minimizing unemployment costs, it is obvious from the statistics that the local economies have prospered from this action.

As I stated in the beginning of this letter, I totally support keeping part or all of the EDA, for without that function available, companies like LB in depressed areas would not exist.

Sincerely,

R. L. KARPEN,
President.●

JAY KUILEE: PACIFIC PALISADES' CITIZEN OF THE YEAR

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. DORNAN of California. Mr. Speaker, on Saturday night, March 21, 1981, the Pacific Palisades, Calif., Civic League will hold its 46th annual banquet. On this occasion, they will again present to the community the Citizen of the Year, chosen from

among those nominated for the honor by their fellow citizens.

Breaking with tradition for obvious reasons, the league this year will name two Citizens of the Year. The Palisades' most famous resident, none other than President Reagan himself, will be given the award of Honorary Citizen of the Year.

But the man who the community has singled out as their choice for Citizen of the Year is crime-fighter Jay Kullee. Jay has been the driving force behind organizing a neighborhood watch anticrime program in the Palisades.

Recognizing the lack of attention the Palisades crime problem was receiving, Jay sponsored four meetings over the last year aimed at increasing public awareness of the problem.

Together with Citizens Against Crime, he has been active in organizing area residents in an effective cooperative effort at crime prevention through neighborhood surveillance. He has broken the city into more manageable units and designated area leaders, who plan to form a grassroots organization on every block in the community.

The idea is that every citizen will be mobilized in the fight against crime by watching for suspicious vehicles and keeping an eye on their neighbors' property.

Jay has also been instrumental in distributing crime prevention information to area residents, including tips on burglar-proofing of homes and suggestions on dealing with strangers.

Another significant achievement of Jay's has been his successful effort to obtain a 24-hour patrol car. Prior to Jay's work on this project, the L.A. police vehicle assigned to the Palisades was available to answer calls in neighboring districts. Now, there is a police car in the Palisades on call to residents at all times.

Mr. Speaker, it is primarily because of his outstanding dedication and enthusiasm for working with the community to make neighborhoods safer for everyone that the people of Pacific Palisades have singled out Jay Kullee as their Citizen of the Year. It gives me great pleasure to add my congratulations to Jay on a job well done.●

THE ART OF SIMPLICITY

HON. JIM JEFFRIES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. JEFFRIES. Mr. Speaker, I would like to bring to the attention of this body a column written by Hugh Sidey which appeared in the Washington Star on March 14, 1981. Mr. Sidey does an excellent job of describing the first few weeks of the Reagan adminis-

tration and its impact on the Federal bureaucracy. Perhaps, implementing simplicity is not an impossible feat after all.

The article follows:

THE ACT OF SIMPLICITY: MR. REAGAN'S METHODS

Ronald Reagan eats fewer jelly beans than contemporary folklore suggests. And he makes more decisions faster with less apparent anguish than has yet been reported. These two commitments are in proper perspective, which has surprised a lot of people.

It is one of the paradoxes of these times that the man judged too "simple" to govern by his late and unlamented political opponent has produced in record time one of the most complex and perilously balanced economic schemes in all history. It may not succeed. But it is what Reagan wants; a fill-greed wonder hammered out on his White House production line.

There are other curiosities in the fledgling administration. Political diagnosticians and learned professors have for years declared that it was an immutable fact of bureaucratic life that a president had to have his people placed in 250 key jobs to control the federal government. Before Reagan had appointed 100 persons the bureaucracy had been shaken to its far corners. It is much too early to tell if Reagan will prevail and make the government work effectively for him. But at this point he has a psychological edge.

THE SYMBOL OF AN IDEA

There are some obvious reasons. Reagan is the symbol of an idea whose time was coming. He has chosen talented and serious men and women who reflect his views. And there is a bit of truth in what Sam Rayburn used to say: "Any jackass can kick a barn down but it takes a carpenter to build one." Reagan's economic mission is to halt restrain and deny.

Yet, Reagan clearly has more going for him. One member of the Cabinet believes Reagan's most valuable leadership trait so far is that very "simplicity" so derided by critics. "He is a man of fixed principles and goals," explains a Cabinet officer. "When things get complicated and confused the president is the one who says, 'Wait a minute, I believe this and I want to do that.'"

It has been one of Washington's enduring curses that any proposal can be argued into oblivion by bureaucrats, congressmen and consultants. The president welcomes dissent. "The person who brings his dissenting views is not an outcast," says Edwin Meese, the man most involved in Reagan's decision process. "After a decision has been made there are no winners and losers."

The president also has mystified the scholars by his hybrid system of cabinet government. It works for him so far, though it does not fit any textbook charts. Reagan eschews deep, dark memoranda, Washington's plasma. "The president is a people person," explains Meese. "He wants to see things spark."

Eyeball to eyeball, Reagan works his way through decisions. They may come in a few minutes or take several days. Reagan assembles his "clusters" of Cabinet members and/or experts and soaks up the oral summations. Once he is satisfied he has the picture he gives an order and expects others to implement it.

There have been mistakes, leaks and trivial diversions along the way, but none have

been crippling. The president ruled on each of the hundreds of budget cuts sent to the Hill. He made the specific decisions on just what equipment the U.S. should sell Saudi Arabia for its F-15 fighters (yes on fuel tanks, no on bomb racks). The hardware became a "policy" issue because of the sensitivity of Israel to the weapons. Likewise, the president ruled on the numbers of military advisers sent to El Salvador, but he did not decide how many should be in communications, weapons or operations.

USING THE BUREAUCRACY

Oddly, this man who is determined to subdue the bureaucracy uses it more than his predecessors. "The president has always believed that he should use the structure of government or change it," says Meese. "He does not believe in building a subterfuge." Reagan's managers have thus been instructed to work through the federal apparatus.

Because Reagan does have firm political compass settings, one engaged he likes to pursue a subject to the end. Headed his way now is the issue of new authority for intelligence agencies to counterspy in the U.S. to combat terrorism and espionage. Leaks on preliminary discussions far below the White House level have clouded the issue. Meese seems unperturbed and predicts Reagan will cluster his experts, then in a seamless motion hear the arguments and give his order.

That decision will come as hundreds of others from the president's urge to produce results. It will be about a four-jelly-bean action.●

AMERICANS WANT TO GET TOUGHER WITH CRIMINALS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. ANDERSON. Mr. Speaker, as you know, I have introduced legislation, H.R. 27, which, when enacted, will provide for a mandatory, minimum 5-year prison sentence for those convicted of committing Federal crimes involving the use of a firearm.

Contained in the March 23, 1981, edition of Newsweek are the results of polls conducted by the Gallup organization which indicates nationwide support for stiffer treatment of law-breakers and a lack of confidence in our judicial system's present sentencing structure. The polls are as follows:

First, leaving aside those cases in which there is a murder, how do you feel a criminal who carries a gun when committing a crime should be sentenced?

	[Percent]
Life in prison	15
5 to 10 years added to sentence.....	51
Sentence should not be the same as with no gun.....	20
Depends on circumstances.....	8
Don't know.....	6
Total.....	100

Second, how much confidence do you have in the courts to sentence and convict criminals?

	[Percent]
A great deal.....	5
Quite a bit.....	23
Not very much.....	59
None at all.....	11
Don't know.....	2
Total.....	100

At you can see, the results of poll No. 1 clearly demonstrate that Americans want to get tougher on criminals, particularly those who use firearms in the commission of a crime. The majority of those polled favor that the 5- to 10-year concept—this is directly in line with H.R. 27 seeks to achieve.

The results of poll No. 2 support the idea that Americans from our urban centers to our rural farmlands are fed up with the courts' leniency on law-breakers, which indicates to me that the mandatory sentencing concept is an idea whose time has come. When 7 out of 10 of those polled have little or no confidence in the courts to sentence and convict criminals, it is apparent that a change is needed. They want to create an atmosphere, which H.R. 27 provides, whereby criminals know that if they use a gun in the commission of a Federal crime, they will go to jail.

As of today, over 120 of our colleagues have already cosponsored H.R. 27—just 11 weeks into the 97th Congress. It is evident that through the bipartisan support of H.R. 27 has attracted, this is a badly needed piece of legislation. I urge all those who have not cosponsored this significant measure to do so, so that we may begin to control the skyrocketing increase of violent crime now facing this Nation.●

MAYOR ED KOCH

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. COLLINS of Texas. Mr. Speaker, it is always encouraging to see people get smarter as the years go by. It is delightful to hear what Ed Koch has to say. Having served with Ed in Congress, it is hard to realize that this is the same man who used to stand in the well and blast out in behalf of all liberal programs. Now his common-sense remarks have the strength of practical experience.

The Wall Street Journal is a great voice for the free enterprise system. It is surprising, but so interesting, to read the plain-spoken words of New York's new conservative, Ed Koch.

[New York City Mayor Edward Koch was interviewed at length late last week at City Hall by James Ring Adams, a Journal editorial writer, and Thomas J. Bray, associate editor of the Journal's editorial page. Excerpts from that interview.]

WSJ: You got your start as a reform Democrat. You were a pretty liberal Congressman.

Mr. KOCH: "Mayor Culpa," they call me. WSJ: Now you are a favorite of both the old and the new conservatives. Would you agree you have changed or have they changed?

Mr. KOCH: Both of us, I suspect. I perceive myself still as a liberal, but very pragmatic. There is no question that there is a decided difference in what I did as a Congressman and what I am doing as mayor when it comes to spending money. It isn't a difference in philosophy. It is that I didn't understand what I was doing when I was in Congress because in Congress you spend other people's money. In Congress you are not aware of the cost of the programs because either the federal government is spending it and they print the dollars or, worse, you impose the cost on the cities. You just tell them what to do but you don't give them the money to do it.

So now I'm an executive. I look at what has to be done and I say to myself, how could I have voted for those dumb programs?

WSJ: What federal mandates give you the most trouble?

Mr. KOCH: Special education, where we are spending \$300 million and getting \$12 million from the federal government to do things that we don't think we can do and responsibly operate our educational system. We are required to have classes for the handicapped that are as small as four students in a class, when the non-handicapped children are in classes of 29 or 30. We think that that should be left to us to decide.

The environmental mandates which require us to build a sludge factory instead of dumping the sludge in the ocean where it doesn't cause any more damage than it would cause if you dumped it on land and, in fact, may cause more damage on land because it is carcinogenic and God knows what it does to the water table. If they put off that mandate for five or six years until they find some other way to deal with sludge that makes more sense, we will save \$35 million annually.

Mass transit. Over the next 30 years, we have to take out of whatever dollars they give us for capital funding something like \$1.6 billion to make the subway system equally accessible by retrofitting it for the handicapped. It is the dumbest thing imaginable. Five hundred people in wheelchairs—I can bet anything that 500 may use it once and then maybe 10 thereafter, and we are spending this fortune, not extra dollars that the feds will give us to accomplish it, but out of the regular allocation. And that should be changed, and I think it will be.●

MAX FRIEDERSDORF AND COMPANY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1981

● Mr. MICHEL. Mr. Speaker, history will have to be the judge as to the cause of Jimmy Carter's various errors, blunders, follies, and misjudgments. But I am certain that among the major reasons for the Carter administration's failures was its inability—or unwillingness—to establish good relationships with the Congress.

By good relationships I do not mean a perpetual state of agreement and harmony between the executive branch and the Congress. That is impossible. But it is possible—and President Reagan is now demonstrating this—to let the Congress know a President is willing to listen and that he wants a fair hearing.

Much of the credit for the current good relations between the Reagan administration and the Congress must go to his talented staff of congressional liaison experts, headed by the talented and energetic Max Friedersdorf. I think Max and his staff deserve all the praise they get. It is, therefore, my privilege to insert a highly complimentary article from the Washington Post, "Reagan Hill Team Gets Rave Reviews", March 17, 1981, in the RECORD.

The article follows:

REAGAN HILL TEAM GETS RAVE REVIEWS

(By Helen Dewar and Lee Lescaze)

Just as a police dispatcher in his windowless office can tell when it starts to rain by the surge of traffic accident calls, Max Friedersdorf can measure each Monday's passing hours by the ringing of his White House office telephones.

Monday mornings, few of the 535 members of Congress over whom Friedersdorf watches as head of congressional relations for the White House are in Washington, but, as they hit the airport returning from their weekends at home, Friedersdorf's telephones blink more insistently, and he begins to place more calls.

After the Carter administration hiatus, Friedersdorf, who is white-haired, courteous bordering on courtly, and could easily be cast as a member of Congress, is back as chief of congressional relations for the White House, the same job he held under President Ford.

From the day after his election triumph, President Reagan spoke of wanting to hit the ground running in Washington. Perhaps his fastest start was in the wooing of Congress.

A week before Friedersdorf signed aboard, Reagan made his first visit to Capitol Hill as president-elect, and came away with rave reviews. Friedersdorf had about seven weeks' head start, and had his staff in place two weeks before Reagan was inaugurated.

It is difficult to find a member of Congress with anything negative to say about the White House's approach to Capitol Hill. Some may not like Reagan's programs, but they have been somewhat thrown off balance, if not disarmed, by the Reagan presentation.

Even many Democrats praise the Friedersdorf operation. "They're smooth, they're on the ball," said Sen. Ernest F. Hollings (D-S.C.), ranking minority member of the Senate Budget Committee, which will have first crack at Reagan's spending cut plan starting with hearings this week.

House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) is another example. President Carter, many of whose goals O'Neill shared, started their relationship off with a series of small slights.

O'Neill could not get extra tickets he wanted to the Carter inaugural. At his first White House breakfast, hearty-eater O'Neill got only a hard roll made even harder to

swallow because O'Neill, like other congressional guests, was billed for the fare.

The result was a headline-making Carter-O'Neill rift that was patched up only later.

Reagan began his relationship with an embrace. The speaker has been to the White House for a private dinner for four with Mrs. O'Neill and the Reagans. He was invited to the Oval office for the president's 70th birthday party, and he has been consulted many other times.

Reagan and his top aides long ago decided that the best strategy often is to hold potential enemies close, so close that they cannot move their arms, one official commented.

O'Neill met Carter's top aide, Hamilton Jordan, only three times in four years, an O'Neill assistant said, while he feels comfortable with Reagan's top advisers, and the only time he needed something from the White House, he got it.

Faced with the possibility of wide-spread Democratic defections on the vote to raise the federal debt limit, O'Neill asked Friedersdorf for a letter from the president to each Democratic member asking for support.

O'Neill was impressed that Friedersdorf promised the letters without checking with Reagan, and doubly impressed that they arrived the next day. "They produced," an O'Neill aide said.

Reagan and his top three White House aides, Edwin Meese III, James A. Baker III and Michael Deaver, are all sensitive to the need for good relations with Congress, which makes Friedersdorf's job easier.

"It is like they have worked in congressional relations before," Friedersdorf said of the three senior Reagan aides. Deaver had the idea of holding a 70th birthday party for Reagan in the Oval Office and inviting congressional leaders, he added.

It does not hurt Reagan or Friedersdorf that they succeed a president whose relations with Capitol Hill began wretchedly and improved only moderately.

Friedersdorf, 51, defines his strategy by two numbers: 51 votes in the Senate and 218 in the House.

If he gets those totals, even though he admits "We'd like a few more," he's a success.

"I don't think politics ever goes out of style," Friedersdorf said. "I don't have a bad connotation of that word. Politics means to facilitate."

To facilitate enactment of Reagan's programs, Friedersdorf and his 12 assistants aim to provide all the service they can to the members of Congress.

Ken Duberstein, Friedersdorf's top aide for the House, said members of his team have paid at least one visit to all 435 House offices. If the member of Congress has been out, they have talked to the staff.

Their emphasis, in their first meetings, Duberstein said, is on letting the legislators know the congressional relations office wants to help.

They are also following up on Reagan's promise that he will not take Congress by surprise and is looking for the reciprocal assurance that the White House won't be blindsided.

At least for now, almost nothing is too small if it helps build a solid foundation for good relations in the future.

"We try to be attentive to the little things, on the theory that if you take care of them, the big things can take care of themselves," said Friedersdorf's deputy for the Senate, Powell Moore, who makes it a

point, when asked, to arrange birthday greetings from the president to constituents of senators.

Several members of Congress cited the preparation of Reagan's economic package and of Carter's first energy program as illustrations of the contrast between the Reagan and Carter approaches.

Meese and Baker worked closely with key members of Congress to explain the package and prepare its way before it was made public. The Carter program was handed down without such careful advance preparation.

"I've never been to so many meetings, but that's the way to do it," Hollings said.

Care and feeding of Congress is not limited to elected members. Steve Bell, staff director of the Senate Budget Committee, noted that the chief staffers of the Senate's four principal money committees—Appropriations, Finance, Budget and Banking—were invited to the White House a couple of weeks ago for a first-hand look at what was available to them from the liaison office.

When congressional staff members have had problems with executive agencies, Friedersdorf's people have stepped in to straighten them out, Bell said.

Friedersdorf said he intends to pursue good relations with every member of Congress: "I'm not writing off anybody at all." Even from Democrats who may not back Reagan with their votes, the White House hopes for a willingness to share information.

"A member of Congress needs information. Sharing it promptly often helps," Duberstein said.

The big tests lie ahead on whether the magic numbers 51 and 218 can be won for Reagan's program. The toughest part of the job so far, Friedersdorf said, has been helping the political clearances for White House personnel. For each happy job candidate and happy sponsor there are a lot of unhappy ones, he said.

Despite rough moments over personnel, Friedersdorf has no complaint about the way the president's program is being handled. "There seems to be a good attitude up there," he said.

Republican members of Congress are predictably more enthusiastic about their relations than Democrats. A few liberal Democrats said they had not seen any White House representatives, while most Republicans said they had been given quick and complete cooperation.

Sen. Jesse A. Helms (R-N.C.), who's probably more problems with the administration over nominations than any other Republican, gives "an A+" to the Friedersdorf operation.

"He can't do everything for you, but he gives it the old college try," Helms said. "Call it stroking or whatever, it's absolutely essential." ●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when sched-

uled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 19, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 20

9:00 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.
324 Dirksen Building

9:30 a.m.
Finance
To hear and consider the nominations of Norman B. Ture, of Virginia, to be Under Secretary of the Treasury, and Beryl W. Sprinkel, of Illinois, to be Under Secretary of the Treasury for Monetary Affairs.
2221 Dirksen Building

Special on Aging
To hold oversight hearings on the impact of proposed budget reductions in programs affecting the elderly, focusing on income security programs.
1202 Dirksen Building

11:00 a.m.
Foreign Relations
To hold hearings on (Exec. S, 96th Congress, 2d session) the Protocol Amending the Interim Convention on Conservation of North Pacific Fur Seals, Between the United States, Canada, Japan, and the Soviet Union.
4221 Dirksen Building

MARCH 23

9:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.
324 Russell Building

9:30 a.m.
Finance
Health Subcommittee
To hold hearings to examine the current medicaid and medicare review requirements of the professional standards review organizations.
2221 Dirksen Building

10:00 a.m.
Appropriations
*Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (Amtrak).
1114 Dirksen Building

Commerce, Science, and Transportation Communications Subcommittee

To hold hearings on S. 601, to reduce and simplify certain licensing requirements in the broadcast industry.

235 Russell Building

Energy and Natural Resources

Energy Research and Development Subcommittee

To hold hearings on proposed authorizations for fiscal year 1982 for the Department of Energy, focusing on fossil and environmental programs.

3110 Dirksen Building

Select on Indian Affairs

To hold hearings to review the administration's proposed budgetary recommendations for the Bureau of Indian Affairs, Department of the Interior, and the Indian Health Service, Department of Health and Human Services, and various Indian related programs of the Department of Education and the Department of Housing and Urban Development.

1202 Dirksen Building

2:00 p.m.

Agriculture, Nutrition, and Forestry

To continue hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.

324 Russell Building

2:30 p.m.

Energy and Natural Resources

Energy Research and Development Subcommittee

To continue hearings on proposed authorizations for fiscal year 1982 for the Department of Energy, focusing on solar and conservation programs.

3110 Dirksen Building

MARCH 24

9:00 a.m.

Agriculture, Nutrition, and Forestry

To continue hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.

324 Russell Building

9:30 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the Foreign Agricultural Service, Office of International Cooperation and Development, Federal Crop Insurance Corporation, Economics and Statistics Service, and the World Food and Agricultural Outlook and Situation Board.

1223 Dirksen Building

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold oversight hearings to review supplemental assistance and restructuring policies for Consolidated Rail Corporation (Conrail), and on proposed authorizations for fiscal year 1982 for the U.S. Railway Association.

235 Russell Building

Labor and Human Resources

Aging, Family and Human Services Subcommittee

To hold hearings on proposed legislation authorizing funds for low-income energy assistance programs.

5302 Dirksen Building

Labor and Human Resources

*Labor Subcommittee

To hold hearings on S. 348, 430, and 658, bills to increase job opportunity by al-

lowing employers to pay young people the minimum wage at a reduced rate.

4232 Dirksen Building

10:00 a.m.

Energy and Natural Resources

Energy and Mineral Resources Subcommittee

To hold hearings to examine current shortages and future supply trends of anthracite coal used for residential heating.

3110 Dirksen Building

Finance

To resume hearings on the administration's proposed spending reduction proposals for economic recovery.

2221 Dirksen Building

2:00 p.m.

Appropriations

State, Justice, Commerce, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the Drug Enforcement Administration, and prison service programs, Department of Justice.

S-146, Capitol

Select on Ethics

Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.

235 Russell Building

MARCH 25

9:00 a.m.

Agriculture, Nutrition, and Forestry

To continue hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.

324 Russell Building

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for alternative fuel programs and the Economic Regulatory Administration, Department of Energy.

1114 Dirksen Building

Select on Intelligence

*Budget Subcommittee

To resume closed hearings on proposed authorizations for fiscal year 1982 for intelligence activities of the United States.

S-407, Capitol

9:30 a.m.

Appropriations

State, Justice, Commerce, and the Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the office of the Secretary, general administration, Economic Development Administration, and the Regional Action Planning Commissions, Department of Commerce.

S-146, Capitol

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.

235 Russell Building

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To continue oversight hearings to review supplemental assistance and restructuring policies for Consolidated Rail Corporation (Conrail), and on

proposed authorizations for fiscal year 1982 for the U.S. Railway Association.

5110 Dirksen Building

Labor and Human Resources

Alcoholism and Drug Abuse Subcommittee

To hold hearings on proposed legislation authorizing funds for the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act.

2228 Dirksen Building

Labor and Human Resources

Labor Subcommittee

To continue hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.

4232 Dirksen Building

10:00 a.m.

Appropriations

*Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Highway Administration, Department of Transportation.

1223 Dirksen Building

Environment and Public Works

Environmental Pollution Subcommittee

To hold hearings on S. 681, to provide a comprehensive system of liability and compensation for oil spill damage and removal costs (being held at the Senate desk).

4200 Dirksen Building

Finance

To continue hearings on the administration's spending reduction proposals for economic recovery.

2221 Dirksen Building

2:00 p.m.

Agriculture, Nutrition, and Forestry

To continue hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.

324 Russell Building

Governmental Affairs

Intergovernmental Relations Subcommittee

To resume hearings on S. 45, simplifying the administration of national policy requirements applicable to Federal assistance programs to State and local governments.

3302 Dirksen Building

MARCH 26

9:00 a.m.

Agriculture, Nutrition, and Forestry

To continue hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.

324 Russell Building

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of the Interior and certain related agencies.

1114 Dirksen Building

9:30 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of State; and to review certain foreign assistance programs.

1224 Dirksen Building

Appropriations
State, Justice, Commerce, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Oceanic and Atmospheric Administration, and the Maritime Administration, Department of Commerce.
S-146, Capitol

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain public health professional education and nurse training programs of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on proposed authorizations for fiscal year 1982 for the Power Marketing Administrations of the Department of Energy.
3110 Dirksen Building

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 681, to provide a comprehensive system of liability and compensation for oil spill damage and removal costs (being held at the Senate desk).
4200 Dirksen Building

Finance
To continue hearings on the administration's proposed spending reduction proposals for economic recovery.
2221 Dirksen Building

Select on Intelligence
Budget Subcommittee
To continue closed hearings on proposed authorizations for fiscal year 1982 for intelligence activities of the United States.
S-407, Capitol

2:00 p.m.
Select on Ethics
Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
235 Russell Building

MARCH 27

9:00 a.m.
Special on Aging
To resume oversight hearings on the impact of proposed budget reductions in programs affecting the elderly, focusing on health and human services programs.
6226 Dirksen Building

9:30 a.m.
Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on tax and tariff proposals to aid the domestic refining industry.
2221 Dirksen Building

*Labor and Human Resources
To resume hearings on proposed legislation authorizing funds for certain health professions block grants.
4232 Dirksen Building

10:00 a.m.
Appropriations
*Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Highway Traffic Safety Administration, Department of Transportation.
1224 Dirksen Building

Commerce, Science, and Transportation
*Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the Maritime Administration, Department of Commerce.
235 Russell Building

MARCH 30

9:00 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on proposed reauthorization of food and agriculture programs administered by the Department of Agriculture.
324 Russell Building

9:30 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To hold oversight hearings on the implementation of the strategic petroleum reserve.
3110 Dirksen Building

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on proposed legislation authorizing funds for the Drug Abuse Prevention, Treatment and Rehabilitation Act.
4232 Dirksen Building

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Aviation Administration, Department of Transportation.
1114 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 601, to reduce and simplify certain licensing requirements in the broadcast industry.
235 Russell Building

Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax measures, S. 388, 446, 464, 476, 500, 501, and 499.
2221 Dirksen Building

2:30 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on proposed authorizations for fiscal year 1982 for the Department of Energy, focusing on magnetic fusion, inertial fusion, geothermal electric energy systems, and nuclear materials security and safeguards.
3110 Dirksen Building

MARCH 31

9:30 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Soil Conservation Service, Agricultural Stabilization and Conservation Service, and the Animal and Plant Health Inspection Service, Department of Agriculture.
1223 Dirksen Building

Appropriations
State, Justice, Commerce, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the In-

ternational Trade Administration, Scientific and Technical Research Service, and the Patent and Trademark Office, Department of Commerce.
S-126, Capitol

Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on S. 289, to provide uniform margin requirements in transactions involving the acquisition of securities of certain U.S. corporations by non-U.S. persons where such acquisition is financed by non-U.S. lenders.
5302 Dirksen Building

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings, in closed session, on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To hold oversight hearings to review the strategic minerals and materials research policy of the United States.
3110 Dirksen Building

Labor and Human Resources
To hold oversight hearings on the implementation of family planning programs.
4232 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Management and Budget.
S-146, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Agency for International Development; and to continue review of certain foreign assistance programs.
S-126, Capitol

Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the White House Office, Office of Administration, official residence of the Vice President, executive residence, special assistance to the President, compensation of the President, and other unanticipated needs.
S-146, Capitol

Select on Ethics
Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
6226 Dirksen Building

APRIL 1

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Bureau of Indian Affairs, Department of the Interior.
1114 Dirksen Building

9:30 a.m.

Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Farmers Home Administration, Rural Electrification Administration, and the Farm Credit Administration.
1223 Dirksen Building

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Emergency Management Agency and the Selective Service System.
S-126, Capitol

Appropriations
State, Justice, Commerce, and the Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the economic and statistical analysis program, U.S. Census Bureau, National Telecommunications and Information Administration, and the Minority Business Development Agency, Department of Commerce.
S-146, Capitol

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain preventive health block grants.
4232 Dirksen Building

10:00 a.m.

Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Secretary of the Treasury.
1224 Dirksen Building

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the Consumer Product Safety Commission.
5110 Dirksen Building

Rules and Administration
To hold hearings on Senate Resolution 20, providing for television and radio broadcasting of Senate Chamber proceedings.
301 Russell Building

2:00 p.m.

Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary, international affairs programs, Bureau of the Mint, Bureau of Engraving and Printing, and Bureau of Government Financial Operations of the Department of the Treasury.
1224 Dirksen Building

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on proposed authorizations for fiscal year 1982 for the Department of Energy, focusing on nuclear programs.
3110 Dirksen Building

APRIL 2

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Surface Mining Reclamation and Enforcement, Department of the Interior, and the Smithsonian Institution.
1114 Dirksen Building

9:30 a.m.
*Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from officials of Paralyzed Veterans of America, Blinded Veterans Association, Military Order of the Purple Heart, Veterans of World War I, and Noncommissioned Officers Association.
457 Russell Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Postal Service.
S-146, Capitol
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on proposed legislation authorizing funds for fiscal year 1982 for the Consumer Product Safety Commission.
5110 Dirksen Building

11:00 a.m.
*Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from AMVETS
457 Russell Building

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the Agency for International Development, and certain foreign assistance programs.
S-126, Capitol

Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Customs Service, U.S. Secret Service, Federal Law Enforcement Training Center, and the Bureau of Alcohol, Tobacco and Firearms.
S-146, Capitol

Select on Ethics
Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
5110 Dirksen Building

APRIL 3

10:00 a.m.
Appropriations
*Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Transportation and related agencies.
1114 Dirksen Building
Commerce, Science, and Transportation
Consumer Subcommittee
To continue hearings on proposed legislation authorizing funds for fiscal year

1982 for the Consumer Product Safety Commission.

5110 Dirksen Building
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on the implementation of the strategic petroleum reserve.
3110 Dirksen Building

Finance
International Trade Subcommittee
To hold hearings on proposed authorizations for fiscal year 1982 for the U.S. Customs Service, the International Trade Commission, and the Office of the U.S. Trade Representative.
2221 Dirksen Building

12:30 p.m.
Finance
Economic Growth, Employment, and Revenue Sharing Subcommittee
To hold hearings on the use of tax incentives to increase employment, focusing on ways to increase the level of employment by reducing the additional labor costs imposed by Federal taxes.
2221 Dirksen Building

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on proposed authorizations for fiscal year 1982 for the Department of Energy, focusing on the U.S. Synthetic Fuels Corporation, and alcohol fuel programs.
3110 Dirksen Building

APRIL 6

9:30 a.m.
Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings on proposed authorizations for fiscal year 1982 for certain programs of the Department of Energy which fall within the subcommittee's jurisdiction.
3110 Dirksen Building

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on proposed legislation authorizing funds for the Alcohol and Drug Abuse Education Act.
4232 Dirksen Building

10:00 a.m.
Appropriations
*Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Railway Association and Consolidated Rail Corporation (Conrail).
1114 Dirksen Building

APRIL 7

9:30 a.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Food and Nutrition Service, and the Food Safety and Quality Service, Department of Agriculture.
1223 Dirksen Building

Commerce, Science, and Transportation Science, Technology, and Space Subcommittee
 To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
 235 Russell Building

Energy and Natural Resources Energy and Mineral Resources Subcommittee
 To resume oversight hearings to review the strategic minerals and materials research policy of the United States.
 3110 Dirksen Building

Labor and Human Resources
 To hold hearings on proposed authorizations for fiscal year 1982 for the National Science Foundation.
 4232 Dirksen Building

10:00 a.m.
 Appropriations
 Treasury, Postal Service and General Government Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the General Services Administration.
 1318 Dirksen Building

2:00 p.m.
 Appropriations
 Treasury, Postal Service and General Government Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Personnel Management, Merit Systems Protection Board and Special Counsel, Federal Labor Relations Authority, Advisory Commission on Intergovernmental Relations, Advisory Committee on Federal Pay, Commission on Executive, Legislative and Judicial Salaries, and the President's Commission on Pension Policy.
 1318 Dirksen Building

Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 8

9:00 a.m.
 Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
 1114 Dirksen Building

9:30 a.m.
 Appropriations
 *HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Science and Technology Policy, Council on Environmental Quality, and the National Regulatory Council.
 S-126, Capitol

Commerce, Science, and Transportation Science, Technology, and Space Subcommittee
 To continue hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
 235 Russell Building

Labor and Human Resources
 To hold hearings on proposed legislation authorizing funds for certain health

maintenance organizations of the Department of Health and Human Services.
 4232 Dirksen Building

10:00 a.m.
 Appropriations
 Transportation and Related Agencies Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the Department of Transportation.
 1224 Dirksen Building

Appropriations
 Treasury, Postal Service and General Government Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Administrative Conference of the United States, Federal Elections Commission, Office of Federal Procurement Policy, Domestic Policy Staff, U.S. Tax Court and the Committee for Purchase From the Blind and Other Severely Handicapped.
 1318 Dirksen Building

Energy and Natural Resources Water and Power Subcommittee
 To hold hearings on S. 306, authorizing the Secretary of the Interior to construct, operate, and maintain specified hydroelectric powerplants at various existing water projects.
 3110 Dirksen Building

Rules and Administration
 To resume hearings on Senate Resolution 20, providing for television and radio broadcasting of Senate Chamber proceedings.
 301 Russell Building

APRIL 9

9:00 a.m.
 Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for strategic petroleum reserve programs, the Energy Information Administration, and naval petroleum reserve programs, Department of Energy.
 1114 Dirksen Building

9:30 a.m.
 Energy and Natural Resources Energy and Mineral Resources Subcommittee
 To resume oversight hearings to review the strategic minerals and materials research policy of the United States.
 3110 Dirksen Building

Judiciary
 Constitution Subcommittee
 To resume hearings on proposals to require a balanced Federal budget.
 2228 Dirksen Building

Labor and Human Resources
 Aging, Family and Human Services Subcommittee
 To hold hearings on proposed legislation authorizing funds for the Domestic Volunteer Services Act.
 4232 Dirksen Building

Special on Aging
 To hold oversight hearings to determine whether certain energy assistance programs are meeting the financial and health needs of elderly victims of extreme heat and cold.
 457 Russell Building

10:00 a.m.
 Appropriations
 Transportation and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the

Office of the Secretary, Department of Transportation, and to review overall budget recommendations.
 S-126, Capitol

Appropriations
 Treasury, Postal Service and General Government Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Internal Revenue Service, and the savings bond division of the Bureau of the Public Debt.
 1318 Dirksen Building

2:00 p.m.
 Appropriations
 Treasury, Postal Service and General Government Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Council of Economic Advisers, National Security Council, and the Council on Wage and Price Stability.
 1318 Dirksen Building

Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 14

2:00 p.m.
 Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 16

2:00 p.m.
 Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 21

9:00 a.m.
 Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for Forest Service programs, the Office of the Federal Inspector for the Alaska Natural Gas Transportation System, and the Pennsylvania Avenue Development Corporation.
 1114 Dirksen Building

9:30 a.m.
 Labor and Human Resources
 To resume hearings on alleged sex discrimination in the workplace.
 4232 Dirksen Building

10:00 a.m.
 Appropriations
 District of Columbia Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1224 Dirksen Building

2:00 p.m.
 Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 22

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary of Energy.
 1114 Dirksen Building

9:30 a.m.
Appropriations
 Agriculture and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Food and Drug Administration, Commodity Futures Trading Commission, Agricultural Marketing Service, Federal Grain Inspection Service, Office of Transportation, and the Agricultural Cooperative Service, Department of Agriculture.
 1223 Dirksen Building

Appropriations
 *HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Environmental Protection Agency.
 1318 Dirksen Building

Labor and Human Resources
 To hold hearings on proposed legislation authorizing funds for certain community/migrant health centers and the National Health Service Corps of the Department of Health and Human Services.
 4232 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the Agency for International Development, and certain development and regional programs of the Department of State.
 S-126, Capitol

APRIL 23

9:30 a.m.
Labor and Human Resources
 Aging, Family and Human Services Subcommittee
 To hold hearings on proposed legislation authorizing funds for certain social services block grants.
 4232 Dirksen Building

*Special on Aging
 To hold oversight hearings on the implementation of the Older Americans Act.
 5110 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1224 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for certain international aid programs of the Department of State.
 S-126, Capitol

Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 28

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the National Endowment for the Arts and the National Endowment for the Humanities.
 1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
 Labor Subcommittee
 To hold oversight hearings on the implementation of the Davis-Bacon Act.
 422 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1224 Dirksen Building

Labor and Human Resources
 Education Subcommittee
 To hold hearings to review certain educational programs.
 5110 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for certain international monetary programs of the Department of Treasury.
 S-126, Capitol

Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

APRIL 29

9:30 a.m.
Appropriations
 *HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the National Consumer Cooperative Bank, and the Consumer Product Safety Commission.
 1318 Dirksen Building

Labor and Human Resources
 Aging, Family and Human Services Subcommittee
 To hold oversight hearings on the implementation of the Economic Opportunity Act.
 457 Russell Building

Labor and Human Resources
 Labor Subcommittee
 To continue oversight hearings on the implementation of the Davis-Bacon Act.
 4232 Dirksen Building

10:00 a.m.
Labor and Human Resources
 Education Subcommittee
 To continue hearings to review certain educational programs.
 6226 Dirksen Building

APRIL 30

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the National Park Service, Department of the Interior.
 1114 Dirksen Building

9:30 a.m.
Appropriations
 *HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the National Science Foundation.
 1318 Dirksen Building

Labor and Human Resources
 Handicapped Subcommittee
 To hold hearings on proposed authorizations for fiscal year 1982 for the developmental disabilities program.
 4232 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1224 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the multilateral development banks of the Department of the Treasury.
 S-126, Capitol

Select on Ethics
 Business meeting, to consider further the proposed revisions to the Senate Code of Official Conduct.
 6226 Dirksen Building

MAY 4

9:30 a.m.
Labor and Human Resources
 Handicapped Subcommittee
 To resume hearings on proposed authorizations for fiscal year 1982 for the developmental disabilities program.
 4232 Dirksen Building

MAY 5

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1114 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Export-Import Bank of the United States.
 S-126, Capitol

MAY 6

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the logical Survey, Department of the Interior.
 1223 Dirksen Building

MAY 7

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for conservation and fossil energy programs.
 1223 Dirksen Building

9:30 a.m.
Labor and Human Resources
 Handicapped Subcommittee
 To resume hearings on proposed authorizations for fiscal year 1982 for the developmental disabilities program.
 4232 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1114 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the Agency for International Development, and certain international aid programs.
 S-126, Capitol

MAY 12

9:30 a.m.
Appropriations
 HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the National Aeronautics and Space Administration.
 1224 Dirksen Building

Labor and Human Resources
 Labor Subcommittee
 To hold oversight hearings on the implementation of the Longshoremen and Harbor Workers Compensation Act.
 4232 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1114 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for certain international security assistance programs of the Department of State.
 S-126, Capitol

MAY 13

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Commission of Fine Arts, the National Gallery of Arts, and the Bureau of Mines, Department of the Interior.
 1223 Dirksen Building

9:30 a.m.
Labor and Human Resources
 Labor Subcommittee
 To continue oversight hearings on the implementation of the Longshoremen and Harbor Workers Compensation Act.
 4232 Dirksen Building

MAY 14

9:00 a.m.
Appropriations
 Interior and Related Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Territorial Affairs, Department of the Interior.
 1223 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1114 Dirksen Building

2:00 p.m.
Appropriations
 Foreign Operations Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for certain international programs.
 S-126, Capitol

MAY 19

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1114 Dirksen Building

MAY 20

9:30 a.m.
Appropriations
 HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development.
 1224 Dirksen Building

MAY 21

9:30 a.m.
Appropriations
 HUD-Independent Agencies Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and the Neighborhood Reinvestment Corporation.
 1224 Dirksen Building

10:00 a.m.
Appropriations
 District of Columbia Subcommittee
 To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
 1114 Dirksen Building

JUNE 2

9:30 a.m.
Appropriations
 HUD-Independent Agencies Subcommittee
 To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and certain independent agencies.
 1224 Dirksen Building

CANCELLATIONS

MARCH 20

9:30 a.m.
Labor and Human Resources
 To hold hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
 4232 Dirksen Building

10:00 a.m.
Appropriations
 Labor, Health and Human Services, and Education Subcommittee
 To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
 1114 Dirksen Building

MARCH 23

9:30 a.m.
Labor and Human Resources
 To hold hearings on proposed legislation authorizing funds for national centers for health statistics, health services research and health care technology programs, national research service awards, and medical library assistance programs.
 4232 Dirksen Building

MARCH 24

9:00 a.m.
Governmental Affairs
 Intergovernmental Relations Subcommittee
 To resume hearings to discuss major intergovernmental issues of the 1980's.
 357 Russell Building