SENATE—*Tuesday, April 28, 1981*

(Legislative day of Monday, February 16, 1981)

The Senate met at 8 p.m. and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., offered the following prayer:

Gracious Father in heaven, we are unspeakably grateful this evening that the President is strong enough to address the joint session of Congress. We pray that Thou wilt help him to be patient and not to overdo so that recovery will be complete. We pray that Thou wilt protect him from physical and emotional exhaustion and make him wise in his expenditure of time and energy.

Let Thy blessing rest upon the joint session. Lift our thoughts above the mundane and help us to see as Thou dost see. Deliver us from paltry and parochial interests. Inspire us with Thy vision for our Nation and enable us to fulfill the heavy duties of legislation in ways that will conform to the highest and best for all peoples.

Dear God, make Thy presence felt as we meet and Thy will be done on Earth as it is in heaven. Through Jesus Christ our Lord, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, April 27, 1981, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR APPOINTMENT OF COMMITTEE TO ESCORT THE PRESIDENT

Mr. BAKER. Mr. President, the Senate has agreed to House Concurrent Resolution 116 providing for a joint session of the two Houses at 9 p.m. this evening to receive a message from the President of the United States. In preparation for that, I now ask unanimous consent that the Vice President be authorized to appoint a committee of Senators on the part of the Senate to join with a like committee on the part of the House of Representatives to escort the President of the United States into the House Chamber.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

VITIATION OF SPECIAL ORDERS FOR SENATORS ZORINSKY AND TSONGAS AND GRANTING OF SPECIAL ORDER FOR SENATOR THURMOND FOR TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that the special order for the Senator from Nebraska (Mr. ZORINSKY) for tomorrow morning be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I make the same request on behalf of the Senator from Massachusetts (Mr. TSONGAS).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I ask unanimous consent, as well, Mr. President, that the senior Senator from South Carolina, Senator THURMOND, be granted a special order not to exceed 15 minutes in length for tomorrow morning following the special order previously granted to the Senator from Alaska (Mr. MURKOWSKI).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, might I inquire if there is an order for the convening of the Senate on tomorrow?

The PRESIDING OFFICER. There is, at 8:45 a.m.

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, in view of these readjustments and rearrangements in the schedule of special orders for tomorrow, I ask unanimous consent that the Senate convene tomorrow morning at 9 o'clock instead of 8:45 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I trust that the official reporters will note that there was a unanimous cheer that went up from our colleagues at that request.

LEGISLATIVE PROGRAM

Mr. BAKER. Mr. President, I might take a brief moment to outline the program for the Senate, the legislative program, as I see it at the present time.

I might point out that following the disposition of the time allocated to the two leaders under the standing order on tomorrow, other housekeeping details that are ordinarily attended to at the beginning of a session, and the disposition of the special orders that have now been provided for, the Senate will go into executive session, pursuant to a unanimous-consent agreement heretofore entered, for the purpose of considering the Maritime Boundary Settlement Treaty with Canada, on which there is already a time limitation of 2 hours, to be equally divided and controlled respectively by the distinguished chairman of the Foreign Relations Committee, Mr. PERCY, and the distinguished Senator from Rhode Island, the ranking minority member, Mr. PELL.

Mr. President, it is the present intention of the leadership to proceed to the consideration of Calendar Order No. 45, S. 786, the so-called IDA replenishment, the sixth replenishment of IDA, if time permits, after the Senate has worked its will in connection with the disposition of the Maritime Boundary Settlement Treaty with Canada.

It is not anticipated that other matters, other than routine matters, will be disposed of on tomorrow, other than the matters that I have just identified.

On Thursday, Mr. President, it would be the hope of the leadership that we could proceed into executive session to consider the nomination of Thomas W. Pauken, of Texas, to be Director of ACTION.

Mr. President, I understand that certain Senators have expressed opposition to this nomination. It is not the intention of the leadership on this side to preclude whatever debate may be necessary prior to the disposition of this nomination.

However, I feel compelled to say that at some point it is my intention to proceed to the consideration of that nomination, and Thursday appears to be an appropriate time. So I would invite the attention of all Senators to the fact that it is likely that the leadership will ask consent to proceed and if there is an objection will move to proceed to the consideration of that item on the executive calendar.

Of course, all Members will recall that Thursdays are our potential late evenings. So it will be my intention to proceed with the consideration of Mr. Pauken for a reasonably long time, if there is some prospect that we can dispose of that nomination by doing so.

I, frankly, express the hope that by a good, serious debate of this nomination on Thursday, and perhaps into the evening Thursday, that it might be possible to avoid a session of the Senate on Friday. If we do dispose of the Pauken nomination, I would expect, absent other circumstances, to ask that the Senate stand in recess over until Monday next.

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

The view of the legislative situation for next week is not quite as clear. I will withhold a further statement on that until we have more information. It is expected that we will proceed to the consideration of the first concurrent budget resolution next week, as soon as that becomes available.

There are other matters that will no doubt be qualified for action next week and, as I stated previously, I will have a further announcement to make at that time. I intend to confer with the distinguished minority leader at the first opportunity, perhaps tomorrow, on these matters, but I thought that I would spread on the record my desires and aspirations in respect to the legislative calendar for the remainder of the week.

Mr. President, I have no further need for my time if any is remaining under the standing order. I am prepared to yield it back or to yield it to the distinguished acting minority leader if he has any need for additional time.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, before I do that, is there presently an order for a period for the transaction of routine morning business this evening?

The PRESIDING OFFICER. There is an order following the majority leader's recognition.

Mr. BAKER. I thank the Chair.

Mr. President, I inquire of the distinguished acting minority leader if he has any need for my time under the standing order. If he has, I will be glad to yield it to his control or to yield it back as he prefers.

Mr. MATSUNAGA. Mr. President, if the distinguished majority leader will yield, we have no request for time on this side.

Mr. BAKER. I thank the distinguished Senator.

Mr. President, in view of that statement, I yield back the remainder of my time if any remains under the standing order.

The PRESIDING OFFICER. Will the Senator from Tennessee allow an appointment to be made?

Mr. BAKER. I am happy to.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Executive Order No. 12169, dated October 26, 1979, appoints the Senator from Kansas (Mr. DOLE) to the U.S. Holocaust Memorial Council, in lieu of the Senator from Ohio (Mr. METZENBAUM).

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 10 minutes with statements therein limited to 2 minutes each.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by him.

MESSAGE ON INFLATION—MESSAGE FROM THE PRESIDENT—PM 47

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was ordered to lie on the table:

To the Congress of the United States:

Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and fellow citizens.

I have come to speak to you tonight about our economic recovery program and why I believe it is essential that the Congress approve this package which I believe will lift the crushing burden of inflation off of our citizens and restore the vitality to our industrial machine.

First, however, and due to events of the past few weeks, will you permit me to digress for a moment from the all-important subject of why we must bring Government spending under control and reduce tax rates. I would like to say a few words directly to all of you and to those who are watching and listening tonight.

This is the only way I know to express to you on behalf of Nancy and myself our appreciation for your messages, your flowers, and, most of all, your prayers—not only for me but for those others who fell beside me.

The warmth of your words, the expression of friendship and, yes, love, meant more to us than you can ever know. You have given us a memory we'll treasure forever. And you've provided the answer to those few voices that were raised saying that what happened was evidence that ours is a sick society.

The society we heard from is made up of millions of compassionate Americans and their children, from college age to kindergarten.

Sick societies don't produce men like the two who recently returned from outer space. Sick societies don't produce young men like Secret Service Agent Tim McCarthy who placed his body between mine and the man with the gun simply because he felt that's what his duty called for him to do.

Sick societies don't produce dedicated police officers like Tom Delahanty or able and devoted public servants like Jim Brady. Sick societies don't make people like us so proud to be Americans and so very proud of all of our citizens.

Now, let's talk about getting spending and inflation under control and cutting your tax rates.

Mr. Speaker and Senator Baker, I want to thank you for your cooperation in helping to arrange this Joint Session of the Congress. I won't be speaking to you very long tonight, but I asked for this meeting because the urgency of our joint mission has not changed.

Thanks to some very fine people, my health is much improved. I'd like to be able to say that with regard to the health of our economy. But the fundamental nature of our economic mess has not changed.

It has been half a year since the election that charged all of us in this Government with the task of restoring our economy. Where have we come in these 6 months?

Inflation, as measured by the Consumer Price Index, has continued at a double-digit rate.

Mortgage interest rates have averaged almost 15 percent for these 6 months, preventing families across America from buying homes.

There are still almost 8 million people unemployed.

The average worker's hourly earnings, after adjusting for inflation, are lower today than they were 6 months ago and there have been over 6,000 business failures.

Six months is long enough. The American people now want us to act, and not in half measures. They demand—and they have earned—a full and comprehensive effort to clean up our economic mess.

Because of the extent of our economy's sickness, we know that the cure will not come quickly, and that even with our package, progress will come in inches and feet, not miles. But to fail to act will delay even longer—and more painfully—the cure which must come.

That cure begins with the Federal budget. And the budgetary actions taken by the Congress over the next few days will determine how we respond to the message of last November 4.

That message was very simple. Our Government is too big and it spends too much.

For the last few months, you and I have enjoyed a relationship based on extraordinary cooperation. Because of this cooperation we have come a long distance in less than 3 months. I want to thank the leadership of the Congress for helping in setting a fair timetable for consideration of my recommendations. And committee chairmen on both sides of the aisle have called prompt and thorough hearings.

We have also communicated in a spirit of candor, openness, and mutual respect. Tonight, as our decision day nears, and as the House of Representatives weighs its alternatives, I wish to address you in that same spirit. The Senate Budget Committee, under the leadership of Chairman Pete Domenici, has just today voted out a budget resolution, supported by Republicans and Democrats alike, that is in all major respects consistent with the program we have proposed. Now we look forward to favorable action on the Senate floor. But, an equally crucial test involves the House of Representatives.

The House will soon be choosing between two different measures to deal with the economy. One is the measure offered by the House Budget Committee. The other is a bipartisan measure—a substitute introduced by Congressman Phil Gramm of Texas and Del Latta of Ohio.

On behalf of the Administration, let me say we embrace and fully support that bipartisan substitute. It will achieve all the essential aims of controlling Government spending and reducing the tax burden, building a national defense second to none, and stimulating economic growth and creating millions of new jobs.

At the same time, however, I must state our opposition to the measure offered by the House Budget Committee.

It may appear that we have two alternatives. In reality, however, there are no more alternatives left. The Committee measure quite simply falls far too short of the essential actions that we must take. For example, in the next 3 years:

—The Committee measure projects spending $141 billion more than does the bipartisan substitute.

—It regrettably cuts over $14 billion in essential defense funding—funding required to restore America's national security.

—It adheres to the failed policy of trying to balance the budget on the taxpayer's back. It would increase tax payments by over a third—adding up to a staggering *quarter trillion dollars*. Federal taxes would increase 12 percent each year. Taxpayers would be paying a larger share of their income to Government in 1984 than at present.

—In short, the Committee measure reflects an echo of the past rather than a benchmark for the future. High taxes and excess spending growth created our present economic mess; more of the same will not cure the hardship, anxiety, and discouragement it has imposed on the American people.

Let us cut through the fog for a moment. The answer to a government that's too big is to stop feeding its growth. Government spending has been growing faster than the economy itself. The massive national debt which we accumulated is the result of the Government's rich spending diet. Well, it's time to change the diet and to change it in the right way.

I know the tax portion of our package is of concern to some of you. Let me make a few points I feel have been overlooked. First of all, it should be looked at as an integral part of the entire package, not something separate and apart from the budget reductions, the regulatory relief, and the monetary restraints.

Probably the most common misconception is that we are proposing to reduce Government revenues to less than what Government has been receiving. This is not true. Actually, the discussion has to do with how much a tax increase should be imposed on the taxpayer in 1982. A gigantic tax increase has been built into the system. We are proposing nothing more than a reduction of that increase.

The people have a right to know that even with our plan they will be paying more in taxes, but not as much more.

The option offered by the House Budget Committee will leave spending too high and tax rates too high. At the same time it cuts the defense budget too much. And, by attempting to reduce the deficit through higher taxes, it will not create the kind of strong economic growth and the new jobs we must have. Let us not overlook the fact that the small, independent business man or woman creates more than 80 percent of all the new jobs and employs more than half our work force. Our across-the-board cut in tax rates for a 3-year period will give them much of the incentive and promise of stability they need to go forward with expansion plans calling for additional employees.

Tonight I renew my call for us to work as a team—to join in cooperation so that we find answers which will begin to solve all our economic problems and not just some.

The economic recovery package that I have outlined to you over the past few weeks is, I deeply believe, the only answer we have left. Reducing the growth of spending, cutting marginal tax rates, providing relief from overregulation, and following a non-inflationary and predictable monetary policy are interwoven measures which will ensure that we have addressed each of the severe dislocations which threaten our economic future.

These policies will make our economy stronger, and the stronger economy will balance the budget—which we are committed to do by 1984.

When I took the oath of office, I pledged loyalty to only one special interest group—"We the People." Those people—neighbors and friends; shopkeepers and laborers; farmers and craftsmen—do not have infinite patience. Some 80 years ago, Teddy Roosevelt wrote these instructive words in his first message to the Congress: "The American people," he said, "are slow to wrath, but when their wrath is once kindled, it burns like a consuming flame."

Perhaps that kind of wrath will be deserved if our answer to these serious problems is to repeat the mistakes of the past. The old and comfortable way is to shave a little here and add a little there. Well, that's not acceptable any more. I think this great and historic Congress knows that that way is no longer acceptable.

The one sure way to continue the inflationary spiral is to fall back into the predictable patterns of old economic practices.

Isn't it time that we tried something new?

When you allowed me to speak to you here in these Chambers before, I told you I wanted this program for economic recovery to be ours—yours and mine. I think the bipartisan substitute bill has achieved that purpose. It moves us toward restored economic vitality.

Just two weeks ago, I joined millions of my fellow Americans in marveling at the magic historical moment that John Young and Bob Crippen created in their Space Shuttle Columbia.

The last manned effort was almost 6 years ago, and I remembered how, over the years, we had all come to expect technological precision of our men and machines. Each amazing achievement became commonplace, until the next new challenge was raised.

With the Space Shuttle, we tested our ingenuity once again—moving beyond the accomplishments of the past into the promise and uncertainty of the future. Thus, we not only planned to send up a 122-foot aircraft, 170 miles into space, but also intended to make it maneuverable and return it to Earth—landing 98 tons of exotic metals delicately on a remote dry lake bed.

The Space Shuttle did more than prove our technological abilities, it raised our expectations once more; it started us dreaming again. "The republic is a dream," wrote Carl Sandburg. "Nothing happens unless first a dream."

That's what makes us Americans different. We have always reached for a new spirit and aimed at a higher goal. We've been courageous and determined, unafraid and bold. Who among us wants to be first to say we no longer have those qualities? That we must limp along doing the same things that have brought us our present misery. I believe the people you and I represent are ready to chart a new course. They look to us to meet the great challenge—to reach beyond the commonplace and not fall short for lack of creativity or courage. Someone has said: He who would have nothing to do with thorns must never attempt to gather flowers.

We have much greatness before us. We can restore our economic strength and build opportunities like none we've ever had before.

As Carl Sandburg said, all we need to begin with is a dream that we can do better than before.

All we need to have is faith, and that dream will come true.

All we need to do is act, and the time for action is now.

Thank you and goodnight.

RONALD REAGAN.

THE WHITE HOUSE, *April 28, 1981.*

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

Donald Allan Derman, of the District of Columbia, to be an Assistant Secretary of Transportation.

Sherman E. Unger, of Ohio, to be General Counsel of the Department of Commerce.

(The above nominations from the Committee on Commerce, Science, and Transportation were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORTON (for himself, Mr. STEVENS, and Mr. KASTEN):

S. 1017. A bill to authorize appropriations for fiscal year 1982 for certain maritime programs of the Department of Commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CHAFEE:

S. 1018. A bill to protect and conserve fish and wildlife resources, and for other purposes; to the Committee on Environment and Public Works.

By Mr. TOWER:

S. 1019. A bill to prohibit the use, possession, or delivery of drug paraphernalia for certain purposes, to provide severe penalties for delivery of drug paraphernalia to minors, to provide for the forfeiture of drug paraphernalia, and for other purposes; to the Committee on the Judiciary.

By Mr. ARMSTRONG:

S. 1020. A bill to amend the Constitution to require a balanced budget; to the Committee on the Judiciary.

By Mr. McCLURE (by request):

S. 1021. A bill to authorize appropriations to the Department of Energy for civilian programs for fiscal year 1982 and fiscal year 1983, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LUGAR (for himself and Mr. GARN) (by request):

S. 1022. A bill to amend and extend the Federal laws relating to housing, community and economic development, and related programs, to provide an improved and expedited mortgage foreclosure procedure with respect to multifamily mortgages held by the Secretary of Housing and Urban Development pursuant to title II of the National Housing Act or section 312 of the Housing Act of 1964, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 1018. A bill to protect and conserve fish and wildlife resources, and for other purposes; to the Committee on Environment and Public Works.

COASTAL BARRIER RESOURCES ACT

● Mr. CHAFEE. Mr. President, millions of Americans who have visited the undeveloped barrier beaches and islands along the Atlantic and gulf coasts have seen their unique natural treasures. The plentiful fish and wildlife and stunning natural beauty of these barriers are truly national resources which should be conserved for the use and enjoyment of future generations.

The Department of the Interior has estimated that there are presently about 1.5 million acres of barrier islands and beaches with a shoreline of 2,700 miles stretching from Maine to Mexico.

These areas are generally characterized as elongated, narrow landforms made of unconsolidated and shifting sands. They are dynamic beach systems of offshore bars, crashing surf, a sand beach, dune ridges just behind the beach, interior lowlands and bayside wetlands. Barrier islands and beaches are so named because they create a barrier to protect the mainland and its wildlife-rich associated aquatic systems—such as lagoons, marshes, estuarine systems—from the direct attack of ocean waves, storms, and hurricanes.

These landforms are among the most unstable on Earth. Beaches and dunes migrate as the shoreline currents, wind and waves undermine their stability. Storms can wipe out whole sections of beach and can just as easily close inlets as sediments are redeposited when the islands are overwashed. The sands of the beaches move, redistribute, and replenish regularly and, in fact, these beaches expand in the summer and contract in the winter.

Despite the highly unstable nature of these areas and their vulnerability to storms and hurricanes, they are being developed at an alarming rate of what some estimate to be 5,000 to 6,000 acres per year.

Federal, State, and local governments, and private organizations have recognized the importance of these areas for their high fish and wildlife values. The U.S. Fish and Wildlife Service has established 31 refuges on barrier lands and waters because they provide key habitat for fish, waterfowl, and other wildlife species. The Merritt Island Wildlife Refuge in Florida, for example, provides shelter for more endangered and threatened species than any other refuge outside Hawaii—including manatee, alligator, bald eagle, brown pelican, peregrine falcon, and several species of sea turtles. The Federal Government has also acquired many barriers as national seashores and national recreation areas.

Yet, these areas under Federal, State, local, and private protection represent a little less than one-half of the barrier beach length along the eastern seaboard and gulf coasts. About one-third has been altered by man from their natural state. Heavily impacted areas such as Galveston, Tex.; Miami Beach; Nags Head, N.C.; Ocean City, Md.; and the New Jersey coast are only a few examples of development on barriers. The remaining pieces of beach length—a little less than one-third—are still, for the most part, in their natural state.

Mr. President, I believe the Congress should make every effort to conserve these areas for two reasons. First, as I have mentioned earlier, these barriers provide essential habitat for fish and wildlife. Their beaches and associated aquatic systems are resting places for millions of migratory waterfowl, shorebirds, raptors, reptiles, amphibians, and small mammals. If we are to continue to have healthy wildlife populations in this country, we must protect the areas where they can find food, shelter, and a place to raise their young.

Second, it just does not make economic sense for the Federal Government to be in the business of subsidizing development in these fragile areas. Any coastal geologist will tell you that these barriers are highly unstable and highly susceptible to hurricanes and other storms of great force. Geologic processes are constantly eroding the physical composition of these areas, and man's efforts to stabilize the islands' movements to protect what he has built are almost hopeless—and, I might add, very costly.

We have only to look at the massive Federal effort to save the historic lighthouse on Cape Hatteras, N.C., from the forces of the sea and sand to realize the futility of trying to tame nature in these areas. Since 1966, the Federal Government has spent almost $3 million to prevent the lighthouse from falling into the sea. But today, beach erosion has brought waves to within 50 feet of the building. It could cost up to $66 million to save the lighthouse and even after these funds are expended, there will be no guarantee that the structure will be protected from beach erosion.

Besides their highly volatile nature, barrier islands and beaches are the first landforms to bear the brunt of hurricanes and winter storms. Billions of dollars—not to mention the number of lives—have been lost in major hurricanes along the eastern and southern coasts. We have only to look at the facts to recognize the impropriety of the Federal Government subsidizing the development of these areas through subsidies and financial assistance.

The exact outlays by the Federal Government on barrier islands and beaches are not precisely known. It has been estimated by the Department of the Interior, however, that nearly $500 million in Federal funds was spent for barrier island development between 1976 and 1978.

A glaring example of the Federal Government's archaic policy toward subsidizing construction on barrier areas is the national flood insurance program. Insurance policies in the so-called V-zones or velocity zones, which are the most hazardous areas on barrier areas, cost the U.S. taxpayers about $279 per policy, or about $14 million annually. That means the Federal Government is paying to insure homes and other buildings in highly volatile areas—areas that will eventually be hit by hurricanes and storms. When a storm hits and the homes are destroyed, the Federal Government will step in and rebuild them, only to have a storm destroy them again—and again. And what is Uncle Sam doing about this? Writing out check after check to cover the cost of reconstruction.

But, the flood insurance program is only the tip of the iceberg. When Hurricane Frederick slammed the Alabama coast 2 years ago, it caused $2.3 billion of damage. One area particularly hard hit was Dauphin Island. Aside from the great number of homes destroyed, the island's bridge to mainland was knocked out. The Department of Transportation has granted a $32 million nonmatching grant to the State of Alabama to reconstruct the bridge—at a cost of about $20,000 per resident. And that is only part of the cost. Figures are not yet available for the tax dollars contributed by Federal agencies to rebuild the island. The rebuilding goes on, despite the fact that Dauphin Island still lies in a hurricane track.

Other examples of wasteful Federal spending include a $65 million plan to replenish sand on Miami Beach and an estimated $26 million to do the same at Ocean City, Md., despite warnings of geologists that the sand will disappear again.

Mr. President, I can go on and on citing examples in which the Federal Government has spent millions of dollars to rebuild structures on barrier beaches and islands that have already been developed, but I think I have made my point.

If the Nation were enjoying better economic times, and there were a Federal surplus instead of a Federal deficit, I would be introducing legislation to acquire undeveloped barrier areas as national wildlife refuges. But, our current economic situation does not permit that kind of spending, so we must look at alternative methods to afford these undeveloped barrier lands some measure of protection from future degradation.

Today, I am introducing legislation that will prohibit the Federal Government from providing financial assistance for commercial and residential growth on undeveloped barriers. Such a policy can save the Federal taxpayers millions of dollars and can indirectly discourage man-induced alteration of these wildlife natural areas.

My bill would establish a coastal barrier resources system and deny new Federal expenditures on those undeveloped areas for almost every purpose, including the new construction of sewers and roads; new loans for home construction and economic development; new shoreline erosion and stabilization projects—except in cases where emergency assistance is required; and the sale of new Federal flood insurance policies for new construction or substantial improvements.

There are, however, exceptions to these prohibitions. Federal assistance for coastal water-dependent energy activities and exploration would be permitted, as well as the maintenance of existing channel improvements, and dredge and fill activities. Federal funds would also be available for air and water navigation aids and devices; fish and wildlife protection and enhancement programs; and national security activities.

Within 3 years, the Secretary would be required to report on those areas which are especially significant because of their high fish and wildlife values or because of the potential for habitat alterations by man. A final report on all the areas in the system would be due within 5 years.

The reports will include an inventory of the fish and wildlife resources within the barrier system and recommendations for the conservation of those natural resources. Different management alternatives, including State and local initiatives and acquisition for the areas, shall be considered. The report shall also include recommendations on whether the funding prohibitions in the act should be deleted, modified, or expanded.

It is important to note that the Secretary of the Interior must prepare the reports in consultation with the Governors of the affected States and political subdivisions, and the general public will also be given the full opportunity to comment.

Mr. President, in no way is this legislation a Federal "land grab." Although, the bill requires that acquisition be considered by the Secretary in his report as a tool for conservation of these areas, not a penny is authorized for acquisition.

Nor is this legislation a Federal land-use planning scheme. It will not require one written regulation telling private landowners what they can or cannot do within the areas of proposed barrier beach and island system. It does not prohibit any kind of activity. Rather, it forces the Federal Government to get out of the business of assisting and subsidizing the cost of residential and commercial growth in these fragile areas. Those who own or live in the barrier system have the option to build and develop as they wish—but at their own financial risk—not at the financial risk of the U.S. taxpayers.

The bill does not cut off Federal flood insurance policies to those who already have policies in effect or who have built structures they wish to insure. For new construction or substantial improvement, however, the builder must go to the private market to obtain all forms of insurance.

Finally, the bill does not alter the authority of the Federal Government to issue permits, such as section 404 or section 10 dredge and fill permits. For these permits to be issued, an environmental assessment must be conducted which takes into account the impact of dredge and fill activities on these barrier ecosystems. During our hearings on this legislation, however, we will ask if environmental quality of the barrier areas is being protected through the permit process.

Mr. President, the legislation authorizes $1 million a year over 5 years for the Secretary to prepare his final report. This cost is negligible when compared with the hundreds of millions of dollars the Federal Government will save by prohibiting funds from going to these areas. As I mentioned earlier, it was estimated that the Federal Government spent $500 million on barrier islands between 1976 and 1978. If this is any indication of the amount of money we will be spending in these undeveloped areas in the future, this legislation will pay for itself many times over.

In conclusion, I would like to quote President Teddy Roosevelt, who in 1908, spoke these words which will still ring true:

> The prosperity of our people depends on the energy and intelligence with which our natural resources are used. It is equally clear that these resources are the final basis of national power and perpetuity.●

By Mr. TOWER:

S. 1019. A bill to prohibit the use, possession, or delivery of drug paraphernalia for certain purposes, to provide severe penalties for delivery of drug paraphernalia to minors, to provide for the forfeiture of drug paraphernalia, and for other purposes; to the Committee on the Judiciary.

DRUG PARAPHERNALIA PROHIBITIONS ACT OF 1981

● Mr. TOWER. Mr. President, today I am introducing the Drug Paraphernalia Prohibitions Act of 1981.

The drug paraphernalia industry is a multimillion dollar big business that facilitates and glamorizes drug use. It preys upon the drug fantasies, real and imagined, of our youth.

The paraphernalia industry is one which panders to youth, one which sends messages to them that run counter to everything else that we have taught them about drugs. The unrestricted, blatant sale of all types of drug paraphernalia is confusing to our youth. They must contend with the paradox that the devices to administer the controlled substances are legal, but the controlled substances themselves are not.

By its very existence, the paraphernalia industry, by selling a variety of implements designed for use with controlled substances, is condoning—even advocating—the use of illegal controlled substances which have been deemed by the Department of Health and Human Services to be harmful to the user.

Early State laws aimed at controlling drug paraphernalia were very ineffective. They dealt with the problem on a piecemeal basis, and were so vaguely worded they could not withstand constant attack. In contrast, this bill which I introduce today is both clear and comprehensive. It is based in principal part on the Maryland statute whose constitutionality has been upheld by U.S. District Court for the District of Maryland. It contains a detailed definition of "drug paraphernalia," including descriptions of the most common forms, and even lists the kinds of evidence a court should consider to determine if an object is paraphernalia.

This bill makes the possession of paraphernalia, when accompanied by an intent to use it with illicit drugs, a crime. Manufacturing and delivering paraphernalia under circumstances which clearly indicate it will be used with illicit drugs is also made a crime. The delivery of paraphernalia to a child by an adult is made a special offense.

Innocent citizens with no intent to violate the drug laws have nothing to fear from this bill; but drug devotees and merchants with guilty knowledge will be penalized. There are between 15,000–30,000 head shops nationwide, in addition to the many stores selling paraphernalia as a part of its stock, and the myriad of tables and booths we see set up on our city streets. Paraphernalia dealers will be especially hard hit. For years, they have studied the statutes, determined to violate the spirit, if not the letter, of this country's drug laws. They have dared perilously close to the line separating legal from illegal conduct just to fill their pockets with extra dollars. For these merchants, this bill provides for the seizure and condemnation of their inventories. The civil forfeiture of drug paraphernalia will, by itself, have a major impact on this parasitic industry.

If we are serious about the availability of illegal drugs, then our efforts should not simply remain with the drug producing countries overseas or focused on the illegal drug distributors of the product itself. We must also recognize the need for preventive education. Furthermore, we must control devices designed primarily for use with illegal drugs. We need to reinforce the message that the drug paraphernalia industry should be controlled.

This industry cannot be allowed to continue to thrive, to flourish, and to fan the fire of the growing drug abuse problem. The need for restriction on the availability of the merchandise is clear.

I urge my colleagues to join with me in this effort to curb the problem, and ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drug Paraphernalia Prohibitions Act of 1981".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds and declares that:

(1) The illegal manufacture, possession, and distribution and improper use of drug paraphernalia have a substantial and detrimental effect on the health and general welfare of the American people.

(2) A major portion of the traffic in drug paraphernalia flows through interstate and foreign commerce. Incidents of the traffic which are not an integral part of the interstate or foreign flow, such as manufacture, local distribution, and possession, nonetheless have a substantial and direct effect upon interstate commerce because—

(A) after manufacture, much drug paraphernalia is transported in interstate commerce,

(B) drug paraphernalia distributed locally usually has been transported in interstate commerce immediately before its distribution, and

(C) drug paraphernalia commonly flows through interstate commerce immediately prior to possession by an individual.

(3) Local distribution and possession of drug paraphernalia contribute to swelling the interstate traffic in such paraphernalia.

(4) Drug paraphernalia distributed intrastate cannot be differentiated from drug paraphernalia distributed interstate. Thus, it is not feasible to distinguish, in terms of controls, between drug paraphernalia manufactured and distributed interstate and drug paraphernalia manufactured and distributed intrastate.

(5) Federal control of the interstate incidents of the traffic in drug paraphernalia is essential to the effective control of the interstate incidents of such traffic.

DEFINITIONS

SEC. 3. (a) As used in this Act—

(1) the term "drug paraphernalia" means any equipment, product, or material of any kind which is used, intended for use, or designed for use, in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance in violation of this Act. Such term includes—

(A) any kit used, intended for use, or designed for use in planting, propagating, cultivating, growing, or harvesting of any species of plant which is a controlled substance or from which a controlled substance can be derived;

(B) any kit used, intended for use, or designed for use in manufacturing, compounding, converting, producing, processing, or preparing a controlled substance;

(C) any isomerization device used, intended for use, or designed for use in increasing the potency of any species of plant which is a controlled substance;

(D) any testing equipment used, intended for use, or designed for use in identifying, or analyzing the strength, effectiveness, or purity of a controlled substance;

(E) any scale or balance used, intended for use, or designed for use in weighing or measuring a controlled substance;

(F) any diluent or adulterant, such as quinine, hydrochloride, mannitol, mannite, dextrose and lactose, used, intended for use, or designed for use in cutting a controlled substance;

(G) any separation gin or sifter used, intended for use, or designed for use in removing twigs and seeds from, or in otherwise cleaning or refining, marihuana;

(H) any blender, bowl, container, spoon, or mixing device used, intended for use, or designed for use in compounding a controlled substance;

(I) any capsule, balloon, envelope, or other container used, intended for use, or designed for use in packaging small quantities of a controlled substance;

(J) any container or other object used, intended for use, or designed for use in storing or concealing a controlled substance;

(K) any hypodermic syringe, needle, or other object used, intended for use, or designed for use in parenterally injecting a controlled substance into the human body;

(L) any object used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing marihuana, cocaine, hashish, or hashish oil into the human body, such as—

(i) a metal, wood, acrylic, glass, stone, plastic, or ceramic pipe with or without a screen, permanent screen, hashish head, or a punctured metal bowl;

(ii) a water pipe;

(iii) a carburetion tube or device;

(iv) a smoking or carburetion mask;

(v) an object used to hold burning material, such as a marihuana cigarette, that has become too small or too short to be held in the hand, such as a roach clip;

(vi) a miniature cocaine spoon or a cocaine vial;

(vii) a chamber pipe;

(viii) a carburetor pipe;

(ix) an electric pipe;

(x) an air-driven pipe;

(xi) a chillum;

(xii) a bong; or

(xiii) an ice pipe or chiller; and

(2) the term "controlled substance" has the same meaning as in section 102(6) of the Controlled Substances Act.

(b) In determining whether an object is drug paraphernalia under subsection (a)(1), the Attorney General, a court, or other authority shall consider, in addition to all other logically relevant factors, the following:

(1) statements by an owner or by anyone in control of the object concerning its use;

(2) prior convictions, if any, of an owner, or of anyone in control of the object, under any State or Federal law relating to any controlled substances;

(3) the proximity of the object, in time and space, to a direct violation of this Act or to a controlled substance;

(4) the existence of any residue of a controlled substance on the object;

(5) direct or circumstantial evidence of the intent of an owner of the object, or a person in control of the object, to deliver the object to any person who the owner or person in control of the object knows, or should reasonably know, intends to use the object to facilitate a violation of this Act;

(6) any oral or written instructions provided with the object concerning its use;

(7) any descriptive materials accompanying the object which explain or depict its use;

(8) any national or local advertising concerning the use of the object;

(9) the manner in which the object is displayed for sale;

(10) whether the owner, or anyone in control of the object, is a legitimate supplier of like or related items to the community, such as a licensed distributor or dealer of tobacco products;

(11) any direct or circumstantial evidence of the ratio of sales of the object to the total sales of the business enterprise;

(12) the existence and scope of legitimate uses for the object in the community; and

(13) any expert testimony concerning the use of the object.

(c) If the Attorney General, a court, or other authority finds that the owner or a person in control of an object has not violated the provisions of this Act, the court or other authority is not precluded from considering the intent of the owner or person under subsection (b)(5) in order to determine whether the object is intended for use as drug paraphernalia.

PROHIBITED ACTS

SEC. 4. (a) It shall be unlawful knowingly to use, or to possess with intent to use, drug paraphernalia to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain or conceal a controlled substance. Any person who violates this subsection is guilty of a misdemeanor and shall be fined not more than $500. Any person who violates this subsection after one or more prior convictions under this subsection or subsection (b) or (c) shall be sentenced to a term of imprisonment of not more than 2 years, or a fine of not more than $2,000, or both.

(b) It shall be unlawful to deliver or sell, possess with intent to deliver or sell, or manufacture with intent to deliver or sell drug paraphernalia, knowing, or under circumstances where one reasonably should know, that such drug paraphernalia will be used to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance. Except as provided in subsection (c), any person who violates this subsection is guilty of a misdemeanor and shall be fined not more than $500. Any person who violates this subsection after one or more convictions under this subsection or subsection (a) or (c) shall be sentenced to a term of imprisonment of not more than 2 years, fined not more than $2,000, or both.

(c) Any person 18 years of age or over who violates subsection (b) by delivering drug paraphernalia to a person under 18 years of age who is at least 3 years his junior is guilty of a felony and shall be sentenced to a term of imprisonment of not more than 8 years, fined not more than $15,000, or both.

FORFEITURE OF DRUG PARAPHERNALIA

SEC. 5. (a) The following shall be subject to forfeiture to the United States and no property right shall exist in them:

(1) all drug paraphernalia of any kind which are used, or intended for use, in manufacturing, compounding, processing, delivering, importing, or exporting any controlled substance in violation of the provisions of this Act;

(2) all property which is used, or intended for use, as a container for property described in clause (1);

(3) all conveyances including aircraft, vehicles or vessels, which are used, or intended for use, to transport, or in any manner to facilitate the transportation, sale, receipt, possession, or concealment of drug paraphernalia described in clause (1), except that—

(A) no conveyance used by any person as a common carrier or vehicle for hire in the transaction of business as a common carrier or vehicle for hire shall be seized or forfeited under this section unless it appears that the owner or other person in charge of the conveyance was a consenting party or privy to a violation of this Act; and

(B) no conveyance shall be forfeited under the provisions of this section by reason of any act or omission established by the owner thereof to have been committed or omitted by any person other than such owner while such conveyance was unlawfully in the possession of a person other than the owner in violation of the criminal laws of the United States, or of any State;

(4) all books, records, and research, including formulas, microfilm, tapes, and data which are used, or intended for use, in violation of this Act; and

(5) all money or currency which shall be found in close proximity to controlled substances or drug paraphernalia or which otherwise has been used or intended for use in connection with the illegal manufacture, distribution, dispensing, or possession of controlled substances or drug paraphernalia.

(b) Any property subject to forfeiture to the United States under this Act may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Martime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when—

(1) the seizure is incident to an arrest or a search under a search warrant or an inspection under an administrative inspection warrant;

(2) the property subject to seizure has been the subject of a prior judgment in favor of the United States in a criminal injunction or forfeiture proceeding under this subchapter;

(3) the Attorney General has probable cause to believe that the property is directly or indirectly dangerous to health or safety; or

(4) the Attorney General has probable cause to believe that the property has been used or is intended to be used in violation of this Act.

In the event of seizure pursuant to paragraph (3) or (4) of this subsection, proceedings under subsection (d) of this section shall be instituted promptly.

(c) Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under the provisions of this Act, the Attorney General may—

(1) place the property under seal;

(2) remove the property to a place designated by him; or

(3) require that the Administrator of General Services take custody of the property and remove it to an appropriate location for disposition in accordance with law.

(d) All provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws; the disposition of such property or the proceeds from the sale thereof; the remission or mitigation of such forfeitures; and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this Act, insofar as applicable and not inconsistent with the provisions hereof; except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this Act by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

(e) Whenever property is forfeited under this Act the Attorney General may—

(1) retain the property for official use;

(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public, but the proceeds from any such sale shall be used to pay all proper expenses of the proceedings for forfeiture and sale including expenses of seizure, maintenance of custody, advertising and court costs;

(3) require that the Administrator of General Services take custody of the property and remove it for disposition in accordance with law; or

(4) forward it to the Bureau of Narcotics and Dangerous Drugs for disposition (including delivery for medical or scientific use to any Federal or State agency under regulations of the Attorney General).●

By Mr. ARMSTRONG:

S. 1020. A bill to amend the Constitution to require a balanced budget; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENT FOR A BALANCED BUDGET

● Mr. ARMSTRONG. Mr. President, 200 years ago a balanced Federal budget was the presumption and general agreement of our Founding Fathers. It was an unwritten doctrine that the Government should not and would not spend more than it collected in revenues.

In recent decades this doctrine has changed. Where temporary deficits once were used in emergency situations, they are now commonplace. In 8 years the debt ceiling has been increased 20 times, and each time the same tired arguments have been trotted out to justify doing something which in our hearts we knew was not good for the future of this country. Clearly, it is time that we renew the unwritten doctrine of our forefathers and establish a constitutional constraint on the budget.

Today I am introducing in the Senate a proposal which was suggested by the distinguished Representative JOHN ROUSSELOT. This legislation addresses the issue of balancing the Federal budget along with reducing taxes to offset the effects of inflation.

In particular, this amendment:

Requires a balanced Federal budget except when the Nation is at war or when the amendment is suspended by a three-fifths vote in both Houses and signed by the President, or, if not signed by the President, a vote of two-thirds of both Houses.

Reduces the rates of taxes, duties, imports, and excises to offset the effects of inflation.

Establishes a procedure whereby any bill or joint resolution having the effect of increasing taxes must be approved by a three-fifths vote of both Houses and signed by the President, or, if not signed by the President, a two-thirds vote in both Houses.

Requires a majority vote in both Houses and the President's signature to reduce taxes, or, failing the President's signature, a two-thirds vote in both Houses.

By requiring a supermajority of both Houses it is harder to raise taxes and unbalance the budget. Tax rate reductions are encouraged by needing the approval of only a simple majority to be enacted, and the effects of inflation on taxes are overcome by requiring Congress to reduce the tax rates.

The time has indeed come to recognize the necessity of a balanced budget. We can no longer yield to an increasing national debt. No better example can be given than that of the 30 States that have now joined in support of a constitutional convention to draft a balanced budget amendment. The legislation I am offering today is an idea worthy of consideration, and I compliment my good friend JOHN ROUSSELOT for this legislative inspiration. I agree with him that it is important that Congress act to more firmly establish the unwritten budget discipline of our forefathers as a constitutional amendment.●

By Mr. McCLURE (by request):

S. 1021. A bill to authorize appropriations to the Department of Energy for civilian programs for fiscal year 1982 and fiscal year 1983, and for other purposes; to the Committee on Energy and Natural Resources.

DEPARTMENT OF ENERGY CIVILIAN PROGRAMS AUTHORIZATION ACT, FISCAL YEARS 1982 AND 1983

● Mr. McCLURE. Mr. President, today I am introducing by request legislation which will authorize appropriations to the Department of Energy for civilian programs for fiscal years 1982 and 1983 in accordance with section 660 of the Department of Energy Organization Act (Public Law 95-91).

I ask unanimous consent that the text of the bill as well as the letter of transmittal and a section-by-section analysis be reprinted in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 1021

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Energy Civilian Programs Authorization Act for Fiscal Years 1982 and 1983."

TITLE I—RESEARCH AND DEVELOPMENT

SEC. 101. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for operating expenses for the following energy programs:

(A) Fossil Energy Coal, $358,960,000;

(B) Fossil Energy Oil, $41,670,000;

(C) Fossil Energy Enhanced Gas Recovery, $10,460,000;

(D) Conservation Research and Development, $75,932,000;

(E) Solar Energy Research and Development, $172,350,000;

(F) Nuclear Fission, $937,948,000;

(G) Magnetic Fusion, $310,700,000;

(H) Geothermal Energy, $43,636,000;

(I) Electric Energy Systems, $9,500,000;

(J) Energy Storage Systems, $37,900,000;

(K) Supporting Research and Technical Analysis, $272,411,000;

(L) Life Sciences Research and Nuclear Medicine Applications, $48,300,000;

(M) High Energy Physics, $290,400,000;

(N) Nuclear Physics, $99,100,000;

(O) High Energy and Nuclear Physics Program Administration, $1,360,000;

(P) Uranium Enrichment Process Development, $93,075,000;

(Q) Uranium Enrichment Advanced Isotope Separation Technology, $80,292,000; and

(R) Environmental Research and Development, $213,100,000.

SEC. 102. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for capital equipment expenses not related to construction for the following programs:

(A) Fossil, $6,250,000;

(B) Conservation Research and Development, $1,003,000;

(C) Solar Energy Research and Development, $10,250,000;

(D) Nuclear Fission, $44,343,000;

(E) Magnetic Fusion, $42,000,000;

(F) Geothermal Energy, $863,000;

(G) Electric Energy Systems, $400,000;

(H) Energy Storage Systems, $1,100,000;

(I) Supporting Research and Technical Analysis, $16,900,000;

(J) Life Sciences and Nuclear Medicine Applications, $2,200,000;

(K) High Energy Physics, $41,700,000;

(L) Nuclear Physics, $10,500,000;

(M) Uranium Enrichment Process Development, $4,100,000;

(N) Uranium Enrichment Advanced Isotope Separation Technology, $5,500,000; and

(O) Environmental Research and Development, $13,700,000.

SEC. 103. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for supply research and development plant and capital equipment including planning, construction, acquisition, or modification of facilities, including land acquisition, for the following energy programs:

(A) Fossil Energy

(1) Project 82-F-506, Surface Water Containment and Waste Water Treatment Facility, Pittsburgh Energy Technology Center, Bruceton, Pa., $1,000,000;

(2) Project 82-F-505, General plant projects for technology centers, six locations, $6,000,000; and

(3) Project 80-FE-11, Pressurized Fluidized Bed Combined Cycle Pilot Plant, Wood Ridge, New Jersey, an additional sum of $11,000,000 for a total project authorization of $40,700,000.

(B) Nuclear Fission

(1) Project 82-N-315, General plant projects, Richland, Washington and other sites, $1,100,000;

(2) Project 78-6-c, Safety research experiment facilities, Argonne National Laboratory-West, Idaho National Engineering Laboratory, Idaho, an additional sum of $8,000,000 for a total project authorization of $34,200,000;

(3) Project 78-6-e, Energy Technology Engineering Center facility modification, Energy Technology Engineering Center, Santa Susana, California, an additional sum of $4,900,000 for a total project authorization of $22,800,000;

(4) Project 78-6-f, Fuels and Materials Examination Facility, Richland, Washington, an additional sum of $24,200,000 for a total project authorization of $159,400,000;

(5) Project 82-N-310, Modification to reactors, various locations, $2,000,000; and

(6) Project 82-6-312, General plant projects, $11,000,000.

(C) Magnetic Fusion.

(1) Project 80-MF-4, Large Coil Test Facility, Oak Ridge National Laboratory, Oak Ridge, Tennessee, an additional sum of $6,000,000 for a total project authorization of $22,950,000;

(2) Project 76-5-a, Tokamak Fusion Test Reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey, an additional sum of $40,100,000 for a total project authorization of $313,600,000;

(3) Project 78-3-a, Mirror Fusion Test Facility—B, Lawrence Livermore Laboratory, Livermore, California, an additional sum of $41,500,000 for a total project authorization of $148,700,000;

(4) Project 80-MF-3, Elmo Bumpy Torus, proof-of-principle, Oak Ridge, Tennessee, an additional sum of $14,000,000 for a total project authorization of $21,400,000; and

(5) Project GPP-82, General plant projects, two locations, $5,700,000.

(D) Geothermal Energy.

(1) Project 80-G-1, Geothermal Demonstration Power Plant Project, Valles Caldera, New Mexico, an additional sum of $3,876,000 for a total project authorization of $54,216,000.

(E) Supporting Research and Technical Analysis.

(1) Project 82-E-322, High Temperature Materials Laboratory, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $3,500,000;

(2) Project 82-E-321, Accelerator Improvements and Modifications, various locations, $300,000;

(3) Project 82-E-320, General plant projects, various locations, $300,000;

(4) Project 80-ES-11, Idaho Laboratory Facility, Idaho National Engineering Laboratory, Idaho, an additional sum of $5,000,000 for a total project authorization of $11,000,000;

(5) Project 81-E-309, Rehabilitation of general purpose physical plant—Phase I, Argonne National Laboratory, Argonne, Illinois, an additional sum of $4,000,000 for a total project authorization of $5,400,000;

(6) Project 81-E-310, Transmission and distribution systems upgrading, Hanford Engineering Development Laboratory, Richland, Washington, an additional sum of $5,050,000 for a total project authorization of $6,050,000;

(7) Project 81-E-317, INEL roof replacement, Idaho National Engineering Laboratory, Idaho, an additional sum of $1,000,000 for a total project authorization of $4,300,000;

(8) Project 81-E-318, Upgrade primary substation, Oak Ridge National Laboratory, Tennessee, an additional sum of $2,800,000 for a total project authorization of $3,500,000;

(9) Project 81-E-321, Site utilities project, Lawrence, Livermore National Laboratory, California, an additional sum of $5,550,000 for a total project authorization of $6,250,000;

(10) Project 81-E-323, Fire safety improvements, Argonne National Laboratory, Argonne, Illinois, an additional sum of $1,800,000 for a total project authorization of $2,500,000;

(11) Project 81-E-324, Fire safety and protection improvements, Idaho National Engineering Laboratory, Idaho, an additional sum of $1,000,000 for a total project authorization of $4,400,000;

(12) Project 81-E-325, Energy Technology Laboratory, Sandia National Laboratories, Albuquerque, New Mexico, an additional sum of $5,500,000 for a total project authorization of $6,500,000;

(13) Project 82-E-301, 300 area critical utilities upgrading, Richland, Washington, $1,000,000;

(14) Project 82-E-302, Security Facility, Argonne National Laboratory, Argonne, Illinois, $1,500,000;

(15) Project 82-E-305, Traffic safety improvements, Richland, Washington, $3,800,000; and

(16) Project 82-E-306, Railroad modifications, Idaho National Engineering Laboratory, Idaho, $2,000,000.

(F) High Energy Physics

(1) Project 78-10-b, Intersecting Storage Accelerator, ISABELLE (400 x 400) GeV, Brookhaven National Laboratory, Upton, New York, an additional sum of $21,000,000 for a total project authorization of $125,000,000;

(2) Project 81-E-218, Tevatron I, Fermi National Accelerator Laboratory, Batavia, Illinois, an additional sum of $18,000,000 for a total project authorization of $20,000,000;

(3) Project 82-E-206, Tevatron II, Fermi National Accelerator Laboratory, Batavia, Illinois, $6,000,000;

(4) Project 79-9-b, Energy Saver, Fermi National Accelerator Laboratory, Batavia, Illinois, an additional sum of $2,600,000 for a total project authorization of $46,900,000;

(5) Project 82-E-205, Accelerator improvements and modifications, various locations, $7,000,000; and

(6) Project 82-E-204, General plant projects, various locations $6,000,000.

(G) Nuclear Physics

(1) Project 82-E-223, Argonne Tandem-Linac Accelerator System (ATLAS), Argonne National Laboratory, Argonne, Illinois, $4,000,000;

(2) Project 80-GS-5, National Superconducting Cyclotron Laboratory, Michigan State University, East Lansing, Michigan, an additional sum of $4,500,000 for a total project authorization of $16,400,000;

(3) Project 82-E-221, Accelerator improvements and modifications, various locations, $2,000,000; and

(4) Project 82-E-222, General plant projects, various locations, $2,800,000.

(H) Uranium Enrichment Process Development

(1) Project 82-R-418, Advanced Centrifuge Test Facilities, Oak Ridge, Tennessee, $6,000,000.

(I) Uranium Enrichment Advanced Isotope Separation Technology

(1) Project 82-N-402, General plant projects, various locations $650,000.

(J) Environmental Research and Development

(1) Project 82-GPP-1, General plant projects, $3,000,000; and

(2) Project 82-V-305, Modifications and additions to biomedical and environmental research facilities, various locations, $1,000,000.

TITLE II—CONSERVATION COMMERCIALIZATION, AND RELATED ACTIVITIES

SEC. 201. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for operating expenses for the following conservation, commercialization, and related activities programs:

(A) Renewable Resources

(1) Solar Information Systems, $6,700,000.

(B) Conservation Activities

(1) Buildings and Community Systems, $1,000,000;

(2) Transportation, $1,000,000; and

(3) State and Local, $106,965,000.

TITLE III—REGULATORY AND RELATED FUNCTIONS

SEC. 301. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for the following regulatory and related functions:

(A) Economic Regulatory Administration, $24,000,000;

(B) Office of Hearings and Appeals, $4,500,000;

(C) Federal Energy Regulatory Commission, $82,173,000;

(D) Energy Information Administration, $56,523,000; and

(E) Strategic Petroleum Reserve, $3,883,408,000.

TITLE IV—POWER MARKETING AND FEDERAL LEASING

SEC. 401. Funds are authorized to be appropriated for fiscal year 1982 in accordance with Section 660 of the Department of Energy Organization Act for expenses for the following power marketing programs:

(A) Alaska Power Administration, including expenses for engineering and economic investigation to promote the development and utilization of the water, power, and related resources of Alaska, $3,538,000;

(B) Southeastern Power Administration, including continuing fund, $7,237,000;

(C) Southwestern Power Administration, including continuing fund, $21,569,000;

(D) Western Area Power Administration, for construction, rehabilitation, operation, and maintenance of electric power transmission facilities, and power marketing activities, $210,774,000, of which $138,374,000 shall be derived from the Department of Interior Reclamation Fund and $680,000 shall be derived from the Colorado River Dam Fund; and

(E) Western Area Power Administration, for the emergency fund established pursuant to the Act of June 26, 1948 (42 U.S.C. § 502), to assure continuous operations during unusual or emergency conditions, $500,000, all of which shall be derived from the Department of Interior Reclamation Fund.

SEC. 402. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for expenses for the following fuel data gathering and analysis programs:

(A) Mineral Fuels and Petroleum and Natural Gas Data, $23,477,000.

TITLE V—NUCLEAR ASSESSMENT, INTERIM SPENT NUCLEAR FUEL MANAGEMENT, AND COMMERCIAL WASTE REMEDIAL ACTION

SEC. 501. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for:

(A) Operating expenses for uranium resource assessment, $9,700,000;

(B) Capital equipment not related to construction for uranium resource assessment, $200,000;

(C) Plant and capital equipment including planning, construction, acquisition, or modification of facilities, including land acquisition for the following uranium resource assessment program:

(1) Project 82-R-410, General plant projects, Grand Juncton, Colorado, $100,000;

(D) Operating expenses for interim spent nuclear fuel management and remedial action:

(1) Interim spent nuclear fuel management expenses, $6,417,000; and

(2) Remedial action program expenses, $55,070,000; and

(E) Capital equipment not related to construction for interim spent nuclear fuel management and remedial action, $1,775,000.

TITLE VI—OTHER RENEWABLE RESOURCES AND CONSERVATION ACTIVITIES

SEC. 601. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for the following fossil energy, solar energy, and conservation programs:

(A) Operating expenses for fossil energy program administration, $2,500,000;

(B) Operating expenses for International Applications of Solar Technology, $4,000,000;

(C) Operating expenses for conservation activities, Buildings and Community Systems, $9,000,000; and

(D) Capital equipment not related to construction for conservation activities, Buildings and Community Systems, $100,000.

TITLE VII—URANIUM ENRICHMENT, OTHER COMMERCIAL WASTE MANAGEMENT ACTIVITIES, WEST VALLEY DEMONSTRATION PROJECT ACTIVITIES, AND THREE MILE ISLAND ACTIVITIES

SEC. 701. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for:

(A) Operating expenses for uranium enrichment:

(1) Gaseous Diffusion Operations and Support, $961,825,000;

(2) Gas Centrifuge Operations and Support, $5,200,000; and

(3) Program Administration, $3,100,000.

(B) Uranium enrichment activities plant and capital equipment, including planning, construction, acquisition, or modification of facilities, including land acquisition, as follows:

(1) Project 82-R-410, General plant projects, varous locations, $17,500,00;

(2) Project 82-R-411, UF_6 cylinders and storage yards, gaseous diffusion plants, $11,000,000;

(3) Project 82-R-412, Cooling tower modifications, Oak Ridge, Tennessee and Portsmouth, Ohio, gaseous diffusion plants, $8,000,000;

(4) Project 82-R-413, Improved UF_6 containment and gaseous diffusion plants, $7,100,000;

(5) Project 82-R-414, Purge and cascade withdrawal modification, gaseous diffusion plant, Paducah, Kentucky, $9,000,000;

(6) Project 82-R-415, Fire alarm system replacement, gaseous diffusion plants, $4,700,000;

(7) Project 82-R-416, Environmental protection and safety modifications, Phase II, gaseous diffusion plants, $2,000,000;

(8) Project 82-R-417, Air distribution system upgrading, gaseous diffusion plant, Paducah, Kentucky, $2,700,000;

(9) Project 81-R-503, Utilities upgrading, gaseous diffusion plants, an additional sum of $17,000,000 for a total project authorization of $27,000,000;

(10) Project 81-R-504, Supervisory control and data acquisition systems, Paducah, Kentucky and Portsmouth, Ohio, gaseous diffusion plants, an additional sum of $7,000,000 for a total project authorization of $13,000,000;

(11) Project 81-R-506, Environmental protection and safety improvements, Phase I, gaseous diffusion plants, $7,000,000;

(12) Project 80-UE-2, Control of water pollution, gaseous diffusion plants, an additional sum of $4,000,000 for a total project authorization of $17,000,000;

(13) Project 80-UE-3, Plant facilities security improvements, gaseous diffusion plants, an additional sum of $4,000,000 for a total project authorization of $17,000,000;

(14) Project 80-UE-5, Motor and switchgear upgrading, gaseous diffusion plants, an additional sum of $6,600,000 for a total project authorization of $26,500,000; and

(15) Project 76-8-g, Enriched uranium production facilities Portsmouth, Ohio, an additional sum of $669,000,000 for a total project authorization of $1,620,845,000.

(C) Capital equipment not related to construction for uranium enrichment, $23,100,000.

SEC. 702. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for operating expenses for other commercial waste management activities:

(A) Repository licensing activities in the terminal isolation program, $2,000,000;

(B) Assistance to States in the waste system evaluation and public interaction program, $1,000,000; and

(C) Assistance to States for low-level waste management, $1,000,000.

SEC. 703. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for the following West Valley Demonstration Project activities:

(A) Operating expenses for the West Valley Demonstration Project, $12,800,000; and

(B) Capital equipment not related to construction for the West Valley Demonstration Project, $200,000.

SEC. 704. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for the following Three Mile Island activities:

(A) Operating expenses for Three Mile Island activities, $29,000,000; and

(B) Capital equipment not related to construction for Three Mile Island activities, $8,000,000.

TITLE VIII—DEPARTMENTAL ADMINISTRATION

SEC. 801. Funds are authorized to be appropriated for fiscal year 1982 in accordance with section 660 of the Department of Energy Organization Act for:

(A) Operating expenses for departmental administration activities:

(1) Office of the Secretary, $3,616,000;

(2) General management, $70,054,000;

(3) Program administration, $6,249,000;

(4) Field offices, $64,738,000;

(5) Other salary expenses, travel, and services, $150,406,000;

(6) Policy analysis and systems studies, $10,678,000;

(7) International policy studies, $250,000;

(8) Intergovernmental affairs, $9,365,000;

(9) Public affairs, $900,000;

(10) In-house energy management, $5,400,000;

(11) Cost of work for others, and changes in inventories, $55,214,000;

(12) Consumer affairs, $168,000; and

(13) Technical information services, $14,830,000.

(B) Departmental administration activities plant and capital equipment, including planning, construction, acquisition, or modification of facilities, including land acquisition, as follows:

(1) Project 82–A–601, Modifications for energy management, various locations, $22,200,000;

(2) Project 82–A–602, Advanced Test Reactor (ATR) waste heat recovery, Idaho National Engineering Laboratory, Idaho, $4,900,000;

(3) Project 82–A–603, High temperature water distribution system, Los Alamos Scientific Laboratory, New Mexico, $5,000,000;

(4) Project 81–A–602, Energy monitoring and control system, Y–12 Plant, Oak Ridge, Tennessee, an additional sum of $2,500,000 for a total project authorization of $5,000,000;

(5) Project 81–A–603, Energy monitoring and control system, Oak Ridge National Laboratory, an additional sum of $2,000,000 for a total project authorization of $4,000,000;

(6) Project 81–A–605, Automated energy management system, Argonne National Laboratory, Argonne, Illinois, an additional sum of $1,900,000 for a total project authorization of $3,800,000;

(7) Project 80–DA–06, Alternate energy source, Pantex Plant, Amarillo, Texas, an additional sum of $3,000,000 for a total project authorization of $6,000,000; and

(8) Project 82–C–601, Plant engineering and design, various locations, $2,000,000.

(C) Capital equipment not related to construction for departmental administration activities, $5,563,000.

TITLE IX—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1983

SEC. 901. There is authorized to be appropriated to the Department of Energy to be available no earlier than October 1, 1982, such sums as may be necessary for fiscal year 1983 for programs set forth in this Act.

TITLE X.—U.S. ENERGY PROJECTIONS (SEC. 1001, U.S. ENERGY PROJECTIONS)

[Quads per year]

	Actual 1979	Projected							
		1985		1990		1995		2000	
		Low	High	Low	High	Low	High	Low	High
Domestic production:									
Oil and NGL	20.5	16.0	20.0	15.0	21.0	15.0	21	15.0	21
Natural gas	19.9	17.0	19.0	16.0	19.0	15.0	18	14.0	17
Coal	17.5	20.0	24.0	24.0	32.0	29.0	41	35.0	53
Nuclear	2.8	5.0	5.5	7.0	8.0	7.0	10	7.0	12
Hydro/geothermal	3.1	3.3	3.6	3.4	4.3	4.0	5	4.0	6
Renewables and other	1.8	1.9	2.7	2.4	4.0	3.5	6	4.0	9
Subtotal	65.7	63–74		69–87		75–99		82–113	
Imports:									
Oil	16.9	20.0	15.0	18.0	8.0	16.0	3	15.0	0
Natural gas	1.2	2.0	2.0	3.0	3.0	3.0	3	2.0	2
Coal	(1.7)	(1.8)	(3.0)	(2.2)	(4.0)	(3.0)	(6)	(4.0)	(8)
Subtotal	16.4	20.0	14.0	19.0	7.0	16.0	0	13.0	(6)
Total supply	82.1	84–87		88–93		92–99		95–107	
End-use consumption:									
Petroleum liquids	33.5	33.0	32	31.0	28.0	30.0	26	30.0	25
Natural gas	17.2	16.0	18	16.0	19.0	16.0	19	16.0	20
Direct coal	3.8	4.0	5	5.0	7.0	5.0	8	5.0	9
Electricity	7.0	8.0	9	10.0	11.0	11.0	12	12.0	13
Decentralized Renewables	1.8	1.8	2.6	2.3	3.9	3.0	5	3.5	8
Subtotal	63.3	63–65		65–67		66–69		67–72	
Conversion losses	17.4	20–22		24–26		26–30		28–35	
Stock increase	1.4								
Total consumption	82.1	84–87		88–93		92–99		95–107	

Note: Sec. 1002 title III of the Energy Security Act (42 U.S.C. §§ 7361-4) is repealed.

DEPARTMENT OF ENERGY,
Washington, D.C., April 28, 1981.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is proposed legislation "[t]o authorize appropriations to the Department of Energy for civilian programs for fiscal year 1982 and fiscal year 1983, and for other purposes." The bill (Enclosure 1) would authorize specific appropriations for FY 1982 and such sums as may be necessary for FY 1983. The total amount proposed for FY 1982 is $10,393,911,000. A section-by-section analysis of the proposed legislation is also enclosed (Enclosure 2). The Office of Management and Budget advises that the enactment of this proposed legislation would be in accord with the program of the President.

Title III of the Energy Security Act states that "the President shall transmit to the Congress energy targets for net imports, domestic production and end-use consumption for the calendar years 1985, 1990, 1995 and 2000" as a part of this authorization proposal. In order to be as responsive as possible to this requirement, a set of energy projections is included in title X. Consistent with the uncertainty inherent in projections of this kind, however, outcomes beyond the range shown in these projections are certainly possible. These projections were developed in November 1980 and represented the Department's estimates of future energy supply and demand at that time. However, the Department's energy projections are not "targets" except insofar as they reflect possible outcomes resulting from incentives in the marketplace.

This Administration is committed to an energy policy that will rely on the marketplace to stimulate efficient energy production and cost-effective conservation. Numerous private decisions over many years will determine the exact amounts and type of energy produced and consumed in 1990, 2000, and beyond. With the removal of unwarranted regulations and restrictions on energy markets and the support of long-term research and development, market forces will take us in the direction of appropriate energy production and wise use and ensure that supply and demand remain in balance.

The projections of title X should not be seen as a description of what the Federal Government believes energy markets should do. Government energy forecasts cannot reflect all the information that private consumers, workers, managers, inventors, and investors will have and use in shaping our energy future. The Federal Government has an important goal to fulfill in assuring that the market signals facing these groups are clear, consistent, and realistic. We frankly have no adequate ability to anticipate unexpected technological change, for example, which has made past Government energy projections obsolete. The most that the projections can do is show a range of possible values for energy supply and demand, given a set of assumptions about the energy market.

Finally, title X would repeal title III of the Energy Security Act. We certainly agree with the intentions that inspired title III: that it is important that the country face up to energy issues in a realistic way. However, we believe that this objective is hampered rather than helped by the energy target-setting process, since that process can divert Congressional attention every two years into lengthy deliberations on targets that are inherently uncertain and away from other issues that require Congressional attention.

Sincerely,

ERIC J. FYGI,
Acting General Counsel.

Enclosures.

FISCAL YEAR 1982 DOE AUTHORIZATION BILL FOR CIVILIAN APPLICATIONS—SECTION-BY-SECTION ANALYSIS

TITLES I—VII

Secs. 101 through 801. These sections comprise the first eight titles of the bill. They would authorize the appropriations necessary to support the Department's civilian activities during fiscal year 1982. The respective titles are:

I—Research and Development;

II—Conservation, Commercialization, and Related Activities;

III—Regulatory and Related Functions;

IV—Power Marketing and Federal Leasing;

V—Nuclear Assessment, Interim Spent Nuclear Fuel Management, and Commercial Waste Remedial Action;

VI—Other Renewable Resources and Conservation Activities;

VII—Uranium Enrichment, Other Commercial Waste Management Activities, West Valley Demonstration Project Activities, and Three Mile Island Activities; and

VIII—Departmental Administration

Detailed justifications of the amounts to be authorized are contained in the Department of Energy FY 1982 Revised Congressional Budget Request.

TITLE IX

Section 607 of the Congressional Budget and Impoundment Control Act of 1974, Pub. L. No. 93-344, states that ". . . any request for the enactment of legislation authorizing the enactment of new budget authority to continue a program or activity for a fiscal year . . . shall be submitted to the Congress not later than May 15 of the year preceding the year in which such fiscal year begins . . ." Accordingly, section 901 requests authorization of appropriations for FY 1983.

TITLE X

Title III of the Energy Security Act, Pub. L. No. 96-294, states that "the President shall transmit to the Congress energy targets for net imports, domestic production, and end-use consumption of energy for the calendar years 1985, 1990, 1995, and 2000".

Section 1001 fulfills this requirement by using a range of projections completed in November 1980 by the Office of Analytical Services under the Assistant Secretary for Policy and Evaluation and updated to reflect the Interagency Coal Export Task Force projections of January 1981. The ranges reflect low and high assumptions about domestic production and the projected range of supply and demand that result. To balance supply with demand, a low domestic production subtotal requires higher energy imports than a high domestic production subtotal. Accordingly, for the imported fuels, the high import figure appears in the "low" column.

On the demand side, the levels of end-use consumption are projected to be consistent with the projected range of supplies by fuel. Also the amounts shown for end-use consumption of specific fuels are consistent with those shown for production, as adjusted to account for the conversion of one fuel form to another.

Several totals that are shown are different than the sum of the applicable columns because of rounding. Under "Domestic Production", the figures for "Oil and NGL" include oil shale but not coal liquids; the figures for "Natural gas" do not include synthetic gas from coal; and the figures for "Solar and Other" include 1.8 quads of biomass not currently included in DOE statistics.

Section 1002 repeals title III of the Energy Security Act.●

By Mr. LUGAR (for himself and Mr. GARN) (by request):

S. 1022. A bill to amend and extend the Federal laws relating to housing, community and economic development, and related programs, to provide an improved and expedited mortgage foreclosure procedure with respect to multifamily mortgages held by the Secretary of Housing and Urban Development pursuant to title II of the National Housing Act or section 312 of the Housing Act of 1964, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1981

● Mr. LUGAR. Mr. President, by request, I am introducing, along with the Senator from Utah (Mr. GARN), the Housing and Community Development Amendments of 1981.

I ask unanimous consent that the transmittal letter from Secretary Pierce to the President of the Senate be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., April 21, 1981.

Subject: Proposed "Housing and Community Development Amendments of 1981."

Hon. GEORGE H. W. BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing proposed legislation to provide funding authorizations for fiscal years 1982 and 1983 for the community development, housing and related programs of the Department of Housing and Urban Development.

In my letter of April 7, I explained that we were in the process of preparing legislation to restructure the Community Development Block Grant and related programs contained in title I of the Housing and Community Development Act of 1974. We have completed our work on that proposed legislation and have included it in the enclosed package. Since my April 7 letter provided a summary of the contents of the proposed housing and related legislation, this letter will briefly describe our proposed title I revisions.

The restructured title I would provide a single funding source to support block grant eligible activities and a revised UDAG program. The overall authorization for this expanded program would be $4.166 billion in each of fiscal years 1982 and 1983. This would increase current CDBG funding authorizations by $206 million in fiscal year 1982 and $56 million in fiscal year 1983.

The new title I would contain four elements: a revised Action Grant program, a scaled-down Secretary's Discretionary Fund, an entitlement program for large cities and urban counties, and a new State Block Grant program to be administered by the States.

The revised UDAG program would be funded as a new account in section 107 of the 1974 Act, at $500 million for fiscal year 1982. We have already begun a study of UDAG's effectiveness, and the results of this study will be given careful consideration in the Administration's future proposals concerning community and economic development activities. The proposed program would continue the essential features of the current UDAG authority, but would include several changes designed to trim down the program to its primary objectives, clear it of unnecessary requirements and Federal red tape, and emphasize rigorous program administration. These changes would minimize the amount of Federal dollars needed to stimulate private investment in individual projects.

The bill proposes a funding authorization for the Secretary's Discretionary Fund of not more than $60 million for each of fiscal years 1982 and 1983. This would represent a reduction from the current levels of $104 million for fiscal year 1982 and $107 million for fiscal year 1983. The reduction would be attributable to a narrowing of the uses of the Discretionary Fund. Under the revised program, amounts in the Fund could be used only for grants to Indian Tribes and territories, for the New Communities Program, and for a technical assistance category expanded to include special projects.

After providing funds for the revised Action Grant program and the Discretionary Fund, remaining funds would be divided 70 percent for entitlement communities and 30 percent for States, to be used for the new State Block Grant program.

The entitlement program would remain unchanged. Metropolitan cities and urban counties would continue to receive amounts determined by the existing dual formula.

In the new State Block Grant program, each State would receive an allocation based on the dual formula contained in existing law. States would distribute funds to their units of general local government to carry out eligible community and economic development activities. States would be free to design fund distribution systems tailored to their individual needs and preferences, and would be responsible for overall administration of distributed funds. HUD's role would be limited to reviews and audits. Because some States may not be ready to take over the program immediately, we propose to make the State program optional for fiscal year 1982. HUD would continue to administer the Block Grant program under the existing statute in those States which choose to wait until 1983 to operate the new program.

The revision to title I also would simplify current administrative requirements. For entitlement cities and urban counties, the complex application would be replaced by a statement of community development objectives and a description of the projected use of funds. For States, a similar statement would be required, which would also describe the system by which the State intends to distribute funds to localities.

These statements would have to be accompanied by certifications regarding compliance with the requirements of the Civil Rights Acts of 1964 and 1968, the existing primary CDBG objectives, and other applicable laws. Proposed statements would be published to allow citizens and localities an opportunity to comment. The final statement would be published and sent to HUD, but would not be subject to HUD approval.

Although the proposal would eliminate current application requirements, it would still require, as a condition of receiving Block Grant assistance, that entitlement communities submit and follow a housing assistance plan approved by HUD. This would maintain the status quo pending completion of the Administration's reexamination of the future of federally assisted housing.

As in the current law, grantees would be required to submit annual performance reports. The Secretary would undertake annual reviews of the performance of entitlement cities and counties, and of the States. For entitlement grantees, this review would be limited to assuring timely performance and compliance with program requirements and other applicable laws. For the States, the review would be conducted for these purposes, as well as to determine whether the State had distributed the funds in accordance with its statement. The review would also determine whether the State had conducted reviews of its localities comparable to those performed by HUD for entitlement grantees. As in existing law, where the review indicated that performance did not conform to these requirements, the Secretary would be authorized to adjust or reduce grant amounts.

The bill would also propose as a new Block Grant eligible activity the provision of assistance to private, for-profit entities to carry out economic development projects. This would enhance the ability of grant recipients to perform "Action Grant"-type activities using Block Grant funds.

Timely enactment of the enclosed proposal would provide the Department with the necessary authority to carry out effectively its responsibilities in fiscal year 1982. The Department requests that the bill be referred to the appropriate committee and urges its early enactment.

The Office of Management and Budget has advised that there is no objection to the presentation of this legislation to the Congress, and its enactment would be in accord with the program of the President.

Very sincerely yours,
SAMUEL R. PIERCE, Jr.●

ADDITIONAL COSPONSORS

S. 28

At the request of Mr. LUGAR, the Senator from Indiana (Mr. QUAYLE) was added as a cosponsor of S. 28, to terminate the authorization for Lafayette Dam and Reservoir, Big Pine Dam and Reservoir, Clifty Creek Dam and Reservoir, and the Big Blue Dam and Reservoir in the State of Indiana.

S. 181

At the request of Mr. CRANSTON, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 181, a bill to provide for the extension of the authorization of appropriations for the Head Start program.

S. 560

At the request of Mr. CRANSTON, the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 560, a bill to extend the authorization of appropriations for the sudden infant death program under part B of title XI of the Public Health Service Act.

S. 777

At the request of Mr. TOWER, the Senator from North Dakota (Mr. ANDREWS) and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 777, a bill to amend the Federal Water Pollution Control Act to restrict the jurisdiction of the United States over the discharge of dredged or fill material to those discharges which are into navigable waters, and for other purposes.

S. 857

At the request of Mr. TOWER, the Senator from South Dakota (Mr. ABDNOR) was added as cosponsors of S. 857, a bill to impose quantitative restrictions on the importation of lamb meat.

S. 1015

At the request of Mr. CRANSTON, the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1015, a bill to separate the Peace Corps from the ACTION Agency.

SENATE RESOLUTION 116

At the request of Mr. LONG, the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Georgia (Mr. MATTINGLY), and the Senator from Washington (Mr. JACKSON) were added as cosponsors of Senate Resolution 116, a resolution relating to proposed merger between Texas International Airlines and Continental Airlines.

SENATE CONCURRENT RESOLUTION 4

At the request of Mr. DOLE, the Senator from Montana (Mr. MELCHER) and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of Senate Concurrent Resolution 4, concerning the "International Year of Disabled Persons."

AMENDMENT NO. 38

At the request of Mr. CRANSTON, the Senator from Connecticut (Mr. DODD) was added as a cosponsor of amendment No. 38, to separate the Peace Corps from the ACTION agency, intended to be proposed to the bill S. 848 to authorize appropriations for the Peace Corps, and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON THE JUDICIARY

Mr. MATHIAS. Mr. President, I would like to announce that the Judiciary Committee will hold a hearing on the Patent Term Restoration Act of 1981, S. 255, a bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

The hearing will be held at 9:30 a.m., in room 2228 of the Dirksen Senate Office Building, on April 30, 1981. For further information on the hearing, you may contact Ralph Oman at 202-224-9493.

ADDITIONAL STATEMENTS

SENATOR GOLDWATER PROPOSES STRONG NATIONAL MINERALS POLICY

● Mr. DOMENICI. Mr. President, one of the most pressing needs of our Nation is establishment of a strong minerals policy. Yet the crisis of critical materials in the United States has grown almost unnoticed by the public.

Fortunately, there are some public leaders with foresight and understanding of the terrible consequences of our minerals vulnerability, who are calling attention to the Nation's predicament and urging specific actions to resolve it. Among them is my good friend, the senior Senator from Arizona (Mr. GOLDWATER).

On April 22, in a major address to the Wings Club in New York City, an aviation oriented group, Senator GOLDWATER discussed the shortage of critical materials in relation to our Nation's defense base.

He warned that there have been few times in our history when the United States has been so vulnerable to forces outside our control as we are now because of our dependence on unfriendly or unstable foreign sources for strategic minerals vital to our defense industry.

In his address, Senator GOLDWATER pointed out that the Reagan administration already has begun a total national commitment to redress this dangerous situation and urged that we in Congress help the President rebuild our defense capability.

To insure the success of this goal, Senator GOLDWATER proposed a specific 10-point set of reforms that will unchain our country's great industrial and mining machines and solve our strategic minerals shortage, including greater access for exploration and mining in public lands, focusing responsibility for developing and implementing a national nonfuel minerals policy, revising environmental and safety regulations, and improving relations with mineral-rich countries of southern Africa, among other points.

Mr. President, so that all of my colleagues may read and study this important message by the Senator from Arizona, I ask that the complete text of his address may appear in the RECORD.

The address follows:

EIGHTEENTH SIGHT LECTURE TO THE WINGS CLUB

(By Senator BARRY GOLDWATER)

I am honored to present the Eighteenth Sight Lecture to the Wings Club. I'm told that I should review with "hindsight, insight and foresight" some aspect of aviation. I have chosen to write on a subject that affects military aviation, but involves all of our defense industry. Indeed, it affects the security of our nation. That is the state of our industry and raw materials in relation to defense.

I am deeply troubled about the alarming deterioration of our defense industrial base, and by our dependence on uncertain foreign sources for critical raw materials that are vital to our defense industry and the top industry of the U.S.

Our defense plants and equipment are aged, and thousands of defense-related companies have gone out of business in the past decade. Why? Mostly because of haphazard government procurement policies, unreasonable government regulation and taxation, and shortages of skilled labor.

The Reagan Administration has taken initial steps to correct some of these problems. But, there is much work to do, and the American people must be made aware of the necessity for action.

Too few Americans are aware of the dangers facing this nation as a result of our shortage of critical materials, and our overwhelming dependence on unfriendly or unstable foreign sources for strategic minerals vital to our defense industry.

In my judgment, the present situation of the United States in the area of critical materials is a truly national disgrace. Many of our own government's policies—and lack of policies—have contributed heavily to our predicament.

How bad is it?

Well, OPEC controls 52 percent of the world's oil supply. With that, it has changed the nature of international economic relations.

But we are much more dependent on southern Africa for critical raw materials for defense. One hundred percent of the titanium we used last year was imported; 100 percent of the columbium we used was imported; 98 percent of the manganese; 96 percent of the tantalum; 90 percent of the cobalt; and 90 percent of the chromium. Without these there cannot be an aircraft industry.

There is a very real danger that the countries of southern Africa will form an OPEC-style mineral cartel to manipulate price and supply of vital minerals. They control most of the world's supply of many essential minerals. Much of the remaining supplies come from Siberia.

So we have the unstable and unfriendly governments of southern Africa on one hand, and the Soviet Union on the other. And make no mistake: the Soviets are doing everything in their power to further manipulate the market.

Meanwhile, here in the United States we are more than 50 percent dependent on foreign sources for 23 of the 40 critical materials most essential to our $2.3 trillion economy. In 1980 alone, we imported more than $29 billion worth of non-fuel minerals.

Our stockpile of critical materials has deteriorated shamefully in both quantity and quality. It is incapable of meeting the requirements of our defense industrial base.

The Soviets have worked feverishly with Cuba over the past decade to impose its will on southern Africa. They have strong influence in Angola, Madagascar, Mozambique and, to the north, Ethiopia.

I can't state too strongly the importance of avoiding the spread of Soviet influence in Africa.

If the Soviet Union were to gain control of the nations of southern Africa, it could effectively cut off our supplies of essential minerals and metals. This would devastate our defense industry and, ultimately, our armed forces. Soviet hegemony in southern Africa is more of a threat to our national security than even in the Persian Gulf.

Until recently, our government has ignored pleas to open up the mineral rich public lands in this country to exploration and mining. It has crippled the mining industry with overzealous government regulation and with a tax system that actually discourages capital investment in the mining industry.

Predicatably, the shortage of critical materials in western industrial nations, has resulted in enormous price increases. Zaire is the world's largest supplier of cobalt. When its Shaba Province was invaded by rebels two years ago, Zaire cut production sharply. The price of cobalt rose from $7.22 a pound in May 1978 to $25 a pound in February 1979, an increase of 246 percent in less than one year. In the past two years, the price of tantalum has risen 300 percent and that of columbite ore has increased by 250 percent.

In the United States, we are sitting on what many have estimated to be vast sources of essential minerals and metals on land owned by the federal government. Interior Secretary James Watt has expressed his intention to open public lands to exploration and mining of critical materials. I applaud his statement, it is long overdue. The U.S. government owns 750 million acres of land on which there are significant deposits of copper, gold, iron, lead, molybdenum, silver, titanium, tungsten, uranium and many other vital minerals.

The Defense Industrial Panel of the House Armed Service Committee noted in a report last December that mining uses fewer than 6 million acres of land in the United States compared to 1.3 billion acres used for farming, 24 million acres for highways and 6.5 million acres for airports and railroads.

The House Mines and Mining Subcommittee said recently that "over the past 10 years the United States has made grave, fundamental errors in administering the public lands with respect to minerals . . ." I put it more bluntly: the neglect, shortsightedness, misguided policies, and missed opportunities by the United State government regarding crucial materials represents a national disgrace.

The biggest hindrance to the domestic mining industry is government regulation. According to General Alton D. Slay, there are now "80 different laws administered by 20 different federal agencies which directly or indirectly affect the domestic non-fuel minerals industry."

The crippling of the domestic mining industry is just one more example of how unrestrained regulation, however well intentioned, can in the long run hurt more than it helps.

Between the years 1973 and 1977, the mining industry in the United States suffered a negative growth rate of minus 6.1 percent, worse than any other major U.S. industry. We must revitalize this industry if we are to ease the crisis of critical materials in the '80s. This goes beyond partisan politics: It is a matter of national survival and security.

We must also make a similar commitment to our tax policies. I endorse the recommendations contained in the final report of the House Mines and Mining Subcommittee last year: The main points are:

Percentage depletion allowances and expensing of exploration and development costs should be continued.

The investment tax credit should be extended to include all buildings used in mining and manufacturing and should be made refundable (or at least fully creditable against a company's entire tax liability).

Realistic, flexible capital cost recovery allowances for plant and equipment investments should be adopted in lieu of present depreciation allowances.

The costs of environmental and similar government-mandated requirement should be written off over any period selected by the taxpayer.

Tax-exempt municipal bond financing should be available for nonproductive pollution control abatement equipment and for other government mandated expenditures.

Another problem area is our stockpile of critical materials. President Reagan ordered the purchase of 5.2 million pounds of cobalt for the stockpile two weeks ago. He also called for $11 million to be spent on the stockpile. That's just the beginning of what we need.

Sadly, it has taken a long time to recognize the need to keep the stockpile adequate in quality and quantity. Supplies are far below what they should be; and they are not of high quality.

We are below the established goals in 37 of the 62 materials managed by the Federal Emergency Management Administration.

The inventory contains 48 percent of the cobalt; 35 percent of the platinum, 33 percent of the tantalum. Estimates of the dollar value of the stortages range from $7 billion, or 39 percent of $11 billion, or 61 percent.

In the budget proposals for fiscal year 1981, the Carter Administration originally called for $170 million to be spent on the stockpile. The administration later cut that figure to $140 million. The House cut it to $100 million. My brilliant colleagues in the Senate cut it to $50 million. As expenditures equal to $50 million a year, it has been estimated that it would take 120 years to bring the stockpile up to national goals. The government must make a strong commitment over the next 15 to 20 years—and stick to it—to build the stockpile up to acceptable levels. Again, this is not a matter of partisan politics; it is a matter of national survival.

Critical raw materials aren't the only shortage we face: Our industrial base can no longer produce what we need when we need it.

During World War II, American industrial production was a major factor in winning the war. We produced, among other things, 310,000 aircraft, 88,000 tanks, 10 battleships, 358 destroyers, 211 submarines, 27 aircraft carriers, 411,000 artillery tubes and howitzers, 12.5 million rifles and carbines, and some 900,000 trucks and motorized weapons carriers. During a single month, March of 1944, the U.S. built 9,117 military aircraft.

The war was undoubtedly a triumph for our industrial capacity. It gave Americans the feeling that, given sufficient incentive, the United States could gear up on short notice to meet any military and industrial challenge. This attitude still prevails among many Americans.

Since Vietnam, however, our defense industrial base has deteriorated at an alarming rate. This has coincided with a general slowdown in productivity growth and capital investment in the general economy. That slowdown, coupled with unprecedented inflation, has toppled the United States from the greatest industrial nation in the world to something quite less than that.

We simply don't have the capability any longer to surge military production the way we did during World War II. Much of the blame for this decline must be placed upon the government itself.

There are three main reasons for the decline of the defense industrial base: reduction in the growth of productivity and capital investment in industry accompanied by severe increases in costs; reduction in the number of manufacturers for essential materials; and reduction of the supply of skilled labor.

Japan's productivity rate has increased 10 percent in the past six years while that of the U.S. has risen less than 2 percent. The average U.S. plant is 20 years old; the average Japanese plant is 10 years old. The Japanese portion of the U.S. market for semiconductors—used extensively in defense production and also in commercial electronics—rose from 1.6 percent in 1976 to more than 7 percent in 1980. Japan far surpasses the U.S. in the vital area of capital investment by industry. In fact, with only half the gross national product of the United States, Japan almost equalled us in investment in 1978—$144 billion to our $148 billion.

The defense industry has been hit even harder than general industry by this economic decline. Prices and lead times on most defense items have increased dramatically in recent years. For example, from 1976 to 1978, the typical delivery span of aluminum forgings increased from 20 to 120 weeks.

Harry J. Gray testified recently that "if there were a national emergency today, I seriously doubt that our Nation could mobilize its industrial base in time to make an appreciable difference in sustaining a war effort. It might take us as much as 2 years before we would see any real increase in production of war materials. And that is an optimistic estimate."

The defense industry has to contend with all the problems facing all U.S. industry—high interest rates, low capital formation, aging physical plant, and competition from imports on certain items. But, it also has problems specific to its industry that are driving many companies out of business. Among these problems in recent years:

Interest on working capital is not considered an allowable cost in defense contracts—not a big problem when interest rates hovered around 5 percent but one hell of a problem when they are close to 20.

Contracts have to be negotiated annually, removing the contractors incentive to make long-term capital investments. They can't plan for facilities or materials for long-term construction of aircraft, weapons or parts, because the chances are good that the government will pull the rug out from under them at any time.

Besides the environmental, safety, energy, employment and other government regulations with which the rest of American industry must contend, defense contractors have to comply with government-mandated accounting procedures, and with whatever wage restraints or other socially desirable regulations are in vogue at the moment.

Major disincentives for capital investment are built into our tax laws, particularly our system of depreciation allowances. It is estimated that the Japanese can write off in 3 to 5 years what it takes American companies 15 years to depreciate.

Equally important are the smaller subcontractors who supply parts and materials to the prime contractors. They are even harder hit. They do not have the big companies' ability to handle the flow of useless paperwork required by government; they find it harder to handle the reduced profit caused by unrealistic financial requirements. They can't swallow the losses that accompany shifts in defense production requirements; and it is tougher for them to generate the necessary capital in a declining economy.

As a result, many subcontractors are simply giving up—either going out of business entirely or switching to production of materials for commercial production. It used to be desirable to bid on defense contracts. It just isn't so anymore.

The other major factor in the decline of the defense industry is the critical shortage of human resources. We are dangerously short of engineers, technicians and skilled laborers.

Despite the sluggish economy, the tooling and precision machine industry could hire 60,000 journeyman machinists right now if they were available.

Consider these additional factors:

The maximum capacity for our educational institutions is 50,000 engineers a year, far below what we need.

Japan, with half our population, graduates more mechanical engineers each year than we do—and 50 percent more electrical engineers.

In Japan, 20 percent of all bachelor's degrees and 40 percent of all master's degrees are in engineering; in the U.S., only 5 percent of each category are engineering degrees.

In U.S. universities, foreign students make up 40 percent of the total enrollment in engineering at the masters level and 47 percent at the doctorate level.

Last year, 45 percent of the doctoral degrees awarded for engineering in this country went to foreign schools.

As a result, competition for skilled labor and trained technicians is driving salaries up, which escalates prices even further.

The companies can't get the skilled workers they need and they can't afford the machines needed to replace these workers.

In summary, ladies and gentlemen, the state of our industry and raw materials in relation to defense is bad, real bad. There have been few times in our nation's glorious history when we were so vulnerable to forces outside our control as we are now. The present situation demands concerted action by the White House, the Department of Defense and the Congress to unchain this country's great industrial machine and to help, rather than hinder, the recovery of our defense industrial base.

A tragic trinity has devastated our defense capability—declining industrial capacity, shortage of critical materials, and shortage of human resources. But it can be turned around. In spite of the events of the past decade, I feel strongly that there is no challenge the American people cannot meet.

But sacrifice is unavoidable. A total national commitment is necessary. The Reagan Administration already has begun. The President has made clear that he intends to rebuild U.S. defense to once again make our country the strongest nation on Earth. Strong leadership will be needed to truly rebuild American strength, and that leadership must be accompanied by a strong public philosophy that leaves no doubt about the importance of national defense.

Reagan and Secretary of State Haig have given clear messages to the Soviets that their imperialism in Africa and South America will not be tolerated. My point made earlier bears repeating: It is absolutely essential that we prevent the spread of Soviet dominance in Africa. If the Russians gain control of southern Africa, we will be at their mercy for supplies of raw materials, and the quality of mercy is quite strained in the USSR.

The Reagan Administration also is committed to opening some of the vast public lands that hold the key to a partial solution of our critical materials shortage. The President has called for spending $100 million on our critical material stockpile, and has ordered the purchase of a big supply of cobalt. But all these steps have served only to whet my appetite for more reforms. T. ese are, after all, only the first small steps—in a long journey back from the road to oblivion.

We must help President Reagan and his administration build momentum for this journey. We must be there to pick them up when they stumble, as they are bound to do; we must keep their mandate clearly focused when they detour away from it, as they might now and then; and most important, we must marshal public opinion behind them. We must make clear to the American people that the very survival of this proud and mighty nation is at stake, nothing less.

To ensure that survival, we need a comprehensive set of reforms, including all or most of the following 10 points:

(1) A coherent, consistent policy on relations with South Africa and the other mineral-rich countries of southern Africa.

(2) Opening up much of the 750 million acres of public lands, particularly in the West and Midwest, to exploration and mining critical minerals and metals. This should be accompanied by reform of environmental and safety regulations that now stifle mining companies, including the Clean Air Act, Federal Water Pollution Control Act, Wilderness Act, Federal Land Policy and Management Act and the Surface Mining Control and Reclamation Act.

(3) A commitment to build up our stockpile of critical materials over the next 15 to 20 years to at least the levels recommended last year by the Federal Emergency Management Administration.

(4) Focusing responsibility for developing and implementing a national non-fuel minerals policy. One of the most appalling aspects of our present situation is that no one person or agency has been accountable for the blunders in the past.

(5) Revision of our tax laws to restore incentives for capital investment and reduce the overall burden on industry. It is essential as a matter of national security to restore healthy economic environments for the defense and mining industries. The first step should be to ease restrictions on depreciation allowances for building and equipment.

(6) Eliminate the required paperwork that is strangling industry in bureaucratic red tape.

(7) Changing the complex cost accounting procedures now governing all defense contracts.

(8) Flexibility in defense procurement procedures, particularly regarding multi-year contracts.

(9) Funding educational and training programs to provide more engineers, technicians and skilled craftsmen for the defense industry. This should include programs run by the Department of Defense or the Department of Labor to finance training programs for specific jobs needed in the defense industry, as well as incentives to colleges and universities to increase the number of engineers and technicians coming into the job market.

(10) Encouraging the expansion of the defense industrial base, through direct loans, loan guarantees and other incentives. In short, to make it worthwhile again to bid on defense contracts.

This list could go on and on, but the important point to make at this stage is that some progress must be made quickly to keep the United States in its rightful status as the strongest nation on Earth, both militarily and economically.

There is no more important function for government than the national defense, don't forget that. In fact, except for the preservation of domestic law and order and certain other limited functions, it can be argued that there is almost no other legitimate function for government. Over the past three decades, policymakers have lost sight of this fact in their zealous quest for utopian social programs.

This is not Utopia, it never has been, it never will be. But it is, as President Reagan says, the last best hope on Earth. If we do not turn around the frightening trends in defense over the last decade, that hope may soon begin to fade.●

TRIBUTE AND FAREWELL TO MAX CLELAND

● Mr. CRANSTON. Mr. President, on March 18, along with Senator SIMPSON, chairman of the Veterans' Affairs Committee, and Congressman SONNY MONTGOMERY and JOHN PAUL HAMMERSCHMIDT, the chairman and ranking minority member, respectively, of the House Committee on Veterans' Affairs, I hosted a congressional reception to say farewell to Max Cleland who served as Administrator of Veterans' Affairs for the past 4 years. During this reception, attended by more than 200 of Max's friends in Congress, the VA, and veterans' service organizations, we paid our respects to Max in a variety of ways—including remarks by each of the congressional sponsors, to which Max replied.

Mr. President, in order that my colleagues and the public may share in this occasion and gain an appreciation of the great admiration expressed for Max Cleland's truly exceptional talents and achievements as the head of the Federal Government's third largest agency, I ask that the transcript of these remarks at the reception be printed in the RECORD.

The material follows:

TRIBUTES TO MAX CLELAND

Senator CRANSTON. I welcome each and all of you to this gathering. We're going to have just a few remarks. First let me note that there is a guest book, many of you signed it on the way in, if you didn't please sign it on the way out so that Max will have a memento of your presence at this affair. On behalf of the Congressional sponsors of this reception, Senators Simpson, and Congressman Montgomery and Hammerschmidt, I welcome each of you on this Saint Patrick's Day for Max Cleland.

As first speaker, I want to recognize the first Republican Chairman of the Senate Veterans' Affairs Committee and a close personal friend of mine for the last two years, during which time we have worked very closely together. One of the reasons I know that he's very well prepared to be Chairman of this very important Committee is that he's a very experienced decisionmaker. Every morning he has to decide, like I do, where to stop washing his face. As I yield the rostrum to him now for a few words, just as I've yielded the Chairman's gavel to him on the Committee, for a few years, anyway. Back to our Committee, I can't help but paraphrase General MacArthur, "Old Chairmen never die, they just become Ranking Minority Members and they host receptions." I give you a new and a very, very fine chairman, Senator Alan Simpson.

Senator SIMPSON. Thank you, Alan, that was very nice. That's actually a lot better than the introduction I had in Cheyenne a couple of weeks ago where the guy got up and said, "Now for the latest dope from Washington, here's Al Simpson."

Al spoke about our particular hairline and I always just say to people, "Look, we're all given just the same number of hormones, and if you want to waste yours raising hair, go ahead."

It's a time of cynicism in our country, but there should be none of that here tonight. But let me tell you what happened the other day in a penitentiary in another state and one turned to the other and said "The food was better here when you were Governor." I'll leave it at that. You liked that, didn't you? All right—enough of that.

I'm very pleased to be here this evening to share a moment with you to let you know my feelings for you, Max, and for the job you did as Administrator of the Veterans Administration. I don't know whether you will agree, although I'm sure there were several days during the past four years when you might have agreed, but I believe that the job of running the VA is the most thankless job in this town. The job of Administrator of the VA is the very clearest distillation of the old phrase, "You can't please all of the people all of the time."—certainly the clearest type of job in Washington that illustrates that fact. If the Administrator becomes too great a cheerleader advocate for veterans and it looks as if he is going to unhinge the doors on Fort Knox to get it done, or if he should refuse to work with the President for the rest of the Administration, the immediate result for that individual is that he will be shown the back door. Conversely, that very visible official, if he is perceived as being too much of an advocate for the President, or a huckster for the OMB or the CBO without apparent regard to the needs of the veterans or the interests of the natural constituency of some 30 million members, you can be certain that then the Administrator will be the subject of abuse reserved in my part of the country for some dog-dirty rustler at a cattlemen's convention. I have heard the job referred to as being rougher than a stuck old bathtub, and that's it.

But I just want to say to you, Max, that I have come to know you and I want to tell you that I think you did a spendid job as Administrator. I fought you tooth and fang on certain things; on those issues, you came right back, always. And even though I was only directly involved with your work for the past two years of your tenure, and that was a period long after the memory of your honeymoon had faded into the mist, I'm sure, I was always impressed by your class and your style and your grace, even under the most intense pressure, and you always maintained that marvelous sense of humor in the process and you achieved much in your tenure as the Administrator, and I'm confident that my views in that regard will be more than widely shared as time allows for a very sober and unbiased reflection of these accomplishments. You did your job, you were at it. I remember the one phrase of my grandfather; he said, "I can't tell you how to succeed, but I can sure as hell tell you how to fail, and that's try to please everybody."

I wish you every success, Max, in your future endeavors, and I trust you will always stay in contact. It has been a great privilege to work with you.

It was a great honor and privilege for me to become Chairman of the Senate Veterans Affairs Committee and it is my job to fill the vacant seat created by Al Cranston, who left me some large shoes to fill, even though those are 14b's. I thank him for his courtesies to me, he's been tremendous, and helpful in the learning process of this job. If I do capably, it will be largely due to his good guidance.

And, in performing this new task, I will be asking for your counsel, Max, your assistance, your advice, information, and I know that you will always be willing to provide that to me, and that great storehouse of knowledge which you have obtained in this job I will be drawing upon. I promise you that. You have my admiration; I salute you for your obvious administrative abilities, and the manner in which you have conducted yourself on behalf of the government to which you personally gave so very, very much.

I wish you well, Max, it is a treat for me to be here, thanks for a job well done; I'm very appreciative.

Senator CRANSTON. Thank you, Al, you're truly a great guy. I appreciate those generous but undeserved remarks about me, and I appreciate those generous and well deserved remarks about Max Cleland.

Next, I'd like to introduce another freshman Chairman, this time, from what we call the other body. Although a newcomer as Chairman, Sonny Montgomery was a leader on numerous veterans issues long before I came to the Senate in 1969. Now he's got the title that goes along with the hard work and the responsibility. Sonny, I urge you onward in your remarkably fine work in this field. Now give us some Mississippi perspectives on Max Cleland on his night.

Congressman MONTGOMERY. Thank you, Senator Cranston, Max Cleland, ladies and gentlemen. Thank you, Senator Cranston, for setting up so that we could honor Max Cleland tonight.

As you know, Alan Simpson and I are new Chairmen of the Veterans' Affairs Committees. Now, we don't know what kind of Chairmen we will be, or what will happen, but we do know we're probably the two tallest Chairmen in the Congress, so I hope that will lead us on to better things.

Max, Dave Broder, the columnist, in his book about changing of the guard, said that Max Cleland is one person in public life that understands the agonies, the hopes, and the successes in life. And certainly, Max, you've had the agonies of being severely wounded in Vietnam, but having the handicaps has not affected you in any way.

You came to Washington with a smile on your face to accept the responsibility of Administrator, and I, like Alan, think you have done an excellent job as Administrator. No, you can't satisfy everyone when you come to this town and take the responsible jobs. But you did it with a lot of class and you worked very hard, and I think you're one of the better Administrators that I have known since I have been in Washington. Max if Jimmy Carter would have had more Max Clelands on his staff probably Jimmy Carter would not be back in Plains, Georgia, tonight having supper with Miss Lillian and with Billy.

Max, I am very sincere when I say thanks for your service to your country not only in war, but also in peace God bless you, Max.

Senator CRANSTON. Thank you very much, Sonny. And now I'd like to recognize the Ranking Minority of the House Veterans' Affairs Committee, himself a great and effective champion of veterans causes for longer than he'd probably like to remember. John Paul Hammerschmidt of Arkansas.

Congressman HAMMERSCHMIDT. Thank you, Senator Cranston. I'm very delighted to join my colleagues and your many friends, Max, as we honor and salute an outstanding American. I'm pleased to have this chance to again state publicly how much I admire Max and how I appreciate his tremendous contribution to veterans in the United States of America. Max, you are certainly one of the most inspirational, top-level officials to arrive in Washington for many generations. With your proven leadership abilities and strength of character. I have no doubt that we will be seeing you back here in the future if that should be one of your goals.

You know, we've heard it said all of our lives that you can't keep a good man down, and you have demonstrated the truth of that old quote. One can only imagine the enormous impact your success in a conspicuous administrative office has had on handicapped individuals everywhere. Those who might have despaired have been strengthened by your example. There could be no doubt of it. And those who needed an extra amount of determination to prevail, or, yes, to survive, have been able to draw it from your accomplishments, Max.

One can only surmise the qualities of character required to overcome the severe burden that war dealt you, but I'm sure that thousands of handicapped people found within themselves qualities they didn't know they had until you showed them.

Your example has also shed light on the problems of Vietnam veterans. On occasion there has been perceived to be an indifference to the special difficulties of many of these veterans and what they are going through, and your continued insistence on giving them top priority has finally aroused widespread recognition and sympathy.

So you can look back, Max with satisfaction on your record as Administrator of Veterans' Affairs, and I know you can look forward toward reaching the goals that lie ahead. I hope that you will set your sights high: I have no doubt but what you have, because we know Max Cleland can achieve just about anything he sets out to do.

So I thank you for your service to veterans, Max, we bid you an affectionate goodbye, and Godspeed.

Senator CRANSTON. Thank you very much, John Paul. Now it's my turn.

Let me say what we all know first, that we're here to pay tribute to the man who's been steward for the past four years of the third largest agency in our government. It is perhaps no exaggeration to say that the Veterans Administration has faced no greater challenge nor undergone greater changes during any similar period since the aftermath of World War II when Omar Bradley was Administrator. Certainly, no Administrator since Omar Bradley has been better know by the American veteran and the American public than Max Cleland. As the youngest Administrator in the VA's history, he was faced with three enormous challenges which he characteristically met head-on with seemingly inexhaustable energy and enthusiasm and dedication.

His first major challenge was in facilitating the reentry of Vietnam veterans into our society by calling attention to the contribution they have made and continue to make to our society, and by devising and implementing long overdue programs for those veterans who continue to have problems.

Second, he has refocused the attention of the Veterans Administration on the needs and the problems of our service disabled veterans and those veterans who need our assistance the most.

Third, he has worked diligently, often against enormous obstacles given the great size of the agency, to transform VA offices around the nation into caring, compassionate, and competent public servants—truly sensitive to the needs of all veterans—and to improve management operations here in Washington. Let me provide just a few details on Max Cleland's very impressive record of achievements and major changes at the VA.

First, Max has truly made a difference in the area of programs to help Vietnam-era veterans. With respect to the legislation to establish the readjustment counseling program, although this provision had been before the Congress for almost a decade, and had been passed by the Senate numerous times, all prior VA Administrators had opposed it. Max Cleland supported it strongly. In June 1979, we enacted that law, and the

VA then vigorously implemented this vitally important program, setting up 91 VA Centers across the country in low-key storefront facilities.

Efforts to help disabled, minority group, educationally and financially disadvantaged, and incarcerated Vietnam veterans markedly increased.

Public information programs such as Operation BOOST have reminded Vietnam-era veterans all across the country of their GI Bill educational opportunities. Toll-free phone service to the VA is now available to veterans in every state.

To help Vietnam veterans with their educational needs, Max strongly advocated, and the Carter Administration proposed, a 10-percent GI Bill rate increase which we enacted last year, and, at Max's insistence, the Administration also proposed legislation to extend the delimiting period for GI Bill eligibility specifically targeted on helping Vietnam Era veterans who most need to use their GI Bill benefits. Although we've not been able to get that proposal all the way through yet, the VA support of it was another Cleland first.

Max has also shown sensitivity and common sense with respect to the very volatile issue of Agent Orange, and its possible health effect on veterans who were exposed to it during their Vietnam service, as Max himself was. The VA has attempted to get at the facts through a special advisory committee and scientific research both within and without the agency. VA medical facilities have been directed to make full examinations available to all Vietnam veterans who believe they may be suffering adverse effects from Agent Orange exposure, and more than 40,000 individual examinations have been provided.

Max has done much to sensitize the public and the VA itself to the contributions to our society that Vietnam Era veterans can make and are making. More than 40,000 Vietnam-era veterans have been hired by the VA since '76—many in key management positions. All told, they now comprise 17.5 per cent of the VA's total workforce. The VA, the government leader in utilizing the Veterans' Readjustment Appointment Authority, has appointed more than 26,000 Vietnam Era veterans under the VRA program since 1976, a remarkable record.

In addition to his concern for disabled and Vietnam Era veterans, Max has given much attention to the special problems of older veterans. The percentage of veterans 65 or older will almost double by '35, and more than triple in 20 years. The VA is pressing hard to keep abreast of the tremendous challenges of meeting the needs of aging veterans. Max as Administrator called for increased emphasis on the specific diseases and conditions related to aging. The VA now offers special gerontological fellowships to train health care professionals and is operating eight regional geriatric research, education, and clinical centers. Increased construction of nursing homes and domiciliaries is a high VA priority, and last June, the VA submitted to Congress a $4 billion construction plan for the next five years. The VA is also aggressively examining alternatives to institutionalization, such as hospital-based home care, personal care home placement, and geriatric day care centers. Further, the VA worked very closely with the 95th Congress in the development and the enactment of pension reform legislation, to provide more equitable assistance to truly needy older veterans and survivors.

Another Max Cleland first was support for the concept of judicial review of VA determinations denying claims for veterans benefits. This change in the agency's historic position typifies his vision and his willingness to take a fresh look at problems in order to help the veteran. Legislation providing this opportunity was passed by the Senate in the last Congress, and we'll keep trying to convince the House to act on a judicial review bill.

The VA's ability to provide treatment for alcohol and drug dependence, one of the most serious problems facing veterans, has been a top priority for Max. Since '76 the VA has added 37 new alcohol and drug treatment units, and now has the new authority it sought, enacted in 1979, to contract for this kind of care in community-based treatment facilities.

Regarding Max's very special dedication to meeting the needs of service-connected veterans, there are many more firsts. An identification system has been developed in all VA health care facilities so that service-connected veterans receive priority for hospital and medical services. Another innovation is having annual increases in disability comp. benefits consistently proposed in the President's budget.

Due to Max's deep personal concern, rehabilitation, too often slighted by the medical profession, is receiving increased emphasis within the VA. Two new rehab. engineering research and development centers were established. There, engineering and medical expertise are drawing to enable those with spinal cord injuries, amputations, and other severe disabilities to become more functional and to lead more fulfilling, richer lives. A National Conference on Rehabilitation, a first for the VA, was held to bring the best thinking to bear on this subject. After a delay of many years of repeated requests from the Congress, the VA, under Max, proposed a long overdue major legislative revision of the mission and authority regarding vocational rehabilitation, and Congress responded last year with a truly comprehensive revision of that program, the first since 1944.

On the management front, Max pressed hard for use of more modern technology, better organization, more efficient operation. He persevered with the TARGET system, despite a lot of negative pressures, supported greater use of computers in DM&S, installed a VA Inspector General, and greatly increased VA audit staff and frequency. He accelerated efforts to collect overdue debts, created an Office of Planning and Evaluation, increased opportunities for veterans' input in policy development, and improved construction planning, and thereby reduced cost overruns. He urged and achieved zero growth in energy consumption throughout the agency, established a Leadership VA program to train young talent for top management, and created an Office of Human Goals to step up the VA's monitoring of equal rights and affirmative action in hiring.

Max firmly believes in people-to-people communication—pressing the flesh. He's tested his program in management innovations by getting out into the field himself at every opportunity to talk to program managers and veterans themselves.

His VA—May I Help You? campaign sums up Max's philosophy, spirit, and deep humanistic emphasis. It is for all these reasons, for all these accomplishments, and many more, that we join together here tonight to honor this truly distinguished American and dedicated public servant. It's an enormous tribute to Max Cleland that numerous Senators and Congressmen will be with us, along with almost every top official of the VA and the veterans service organizations.

At this point, I want to recognize the great generosity of the DAV and express my deep appreciation to them for making it possible for all of us to celebrate this special evening in such an enjoyable fashion.

I think you'll agree that Max has compiled a great record, one that he and all of you here tonight who played such a major part in these achievements can be enormously proud of. Given the great complexity of the problems facing the agency, the budgetary reality, and the very high goals he set for himself and for all of us, and for our obligations to veterans, Max will be the first to admit that he did not succeed in accomplishing all that he set out to do, and the fact is that nobody could have—he set out to do so very, very much.

What is amazing, however, I'm sure you'll agree, is the vast amount that has been accomplished over a short four-year period. The legacy Max leaves his successor will be the challenge of a high standard of commitment and achievement on behalf of America's veterans, particularly the service disabled and those who served in Vietnam.

I close with a line that Jimmy Carter used in August 1976 when he spoke about the possibility of his making a startling bold appointment as VA Administrator. Then candidate Jimmy Carter said to me that day in Los Angeles, and I say to you tonight four-and-a-half years later, "I love Max Cleland." We all love you, Max.

Max Cleland. Thank you very much, Senator Cranston. As I heard your voice, it reminded me of the very first time I testified before your Committee some 12 years ago, at a time when we were talking about the country's obligation towards veterans, particularly those coming back from Vietnam. And I want all of you to know that without the help of Alan Cranston I would have never had the chance to be mentioned to candidate Jimmy Carter in Los Angeles and ultimately be supported for that position as head of the VA and ultimately get a chance to serve the last four years with you. So, Senator Cranston, I want everyone here to know that you have been a key part, not only of my personal life, but my political life as well, and I thank you from the bottom of my heart.

Let me just say that every time I think about being head of the VA, I think of the antidote about how Truman picked his head of the VA. When things were just going haywire at the VA with literally 13 to 15 million veterans from World War II coming back, and there were hundreds of thousands of letters unanswered, there was tremendous work to be done. There was just a great turmoil over veterans' affairs, and Truman received various nominees from many quarters, but ultimately chose General Omar Bradley, which was kind of a unique appointment at the time, especially since Bradley wore his uniform to work every day. Someone afterwards asked Truman how he arrived at that decision and one of the State Democratic Chairman says "Mr. President, you should have given that job to a good Democrat." To which Truman blithely replied, "I wouldn't do that to a good Democrat." And after four years as head of the VA, I fully understand why he wouldn't do that. I think President Reagan might be reluctant to do it to a good Republican, as a matter of fact.

Let me just say that the record that Senator Cranston refers to obviously is one that I'm very proud of, but one that I, above all, know was not created by my own hand or by my own time or by my own work. Were it not for gentlemen like Senator Cranston, and Senator Simpson, and John Paul and Sonny on the House side, and many of you out there working diligently night and day over the last four years particularly, I know that personally both in the VA, and in the veterans service organizations, we wouldn't be able to talk about a record, and my name would not be attached to good things that were done.

I feel very much like Churchill after the Battle of Britain when he was given sole credit for defeating Germany there and turning the tide of war. And he simply said that the British people were the lion and he was just the roar. And that's exactly the way I feel. You all have been the lion, those of you in the Congress, and those of you in the VA, those of you in the veterans' service organizations, you've been the lion. I've been privileged to be the roar, and as I go back to one of the great centers of culture and influence in this country, just like Cheyenne and Biloxi, I want all of you to know that I'm not gonna stop roaring. Thank you very much.

Senator CRANSTON. Thank you all very much, and remember the guestbook. That's all folks. Thank you.●

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ORDER FOR THE RECOGNITION OF SENATOR ZORINSKY ON THURSDAY, APRIL 30, 1981

Mr. BAKER. Mr. President, a moment ago I vitiated a special order for the distinguished Senator from Nebraska (Mr. ZORINSKY) for tomorrow. I now renew that request for a 15-minute special order for Thursday of this week and I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-48)

The PRESIDING OFFICER. Under the previous order, the hour of 8:40 p.m. having arrived, the Senate will now proceed in a body to the Hall of the House of Representatives to hear an address by the President of the United States and following the joint session will stand in recess until 9 a.m. tomorrow morning.

At 8:40 p.m., the Senate, preceded by the Sergeant at Arms, Howard Liebengood; the Secretary of the Senate, William F. Hildenbrand; and the President pro tempore (STROM THURMOND), proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, Ronald W. Reagan.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress, is printed in the proceedings of the House of Representatives in today's RECORD.)

RECESS UNTIL 9 A.M. TOMORROW

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered into, at 9:33 p.m., the Senate recessed until Wednesday, April 29, 1981, at 9 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, April 28, 1981*

The House met at 12 o'clock noon.

His Eminence, Archbishop Vatché Hovsepian, primate of the Armenian Church of North America, Western Diocese, Los Angeles, Calif., offered the following prayer:

O Lord, our loving Father, through the mouth of the prophet Hosea, You proclaimed:

For I desired mercy, and not sacrifice.—Hosea 6: 6.

Again, through Your only begotten Son, our Lord Jesus Christ, You said:

Blessed are those who hunger and thirst for righteousness, for they shall be satisfied.—Matthew 5: 6.

Thereby, Your voice resounded for all people in all ages and places that mercy and justice are Your standards.

Today, O Lord, as we commemorate the martyrdom of our people, we ask Your mercy to remember with Your loving kindness, the souls of over 1½ million of our Armenian people, who were martyred in the holocaust of 1915, and all victims of oppression, who have suffered and died at the ruthless hands of consciousless and godless aggression. O Lord, teach us all, that it is only as we live according to Your love for us, and our love for one another, that suffering and injustice will pass from this world.

We humbly thank you, O Lord, for shielding Ronald Reagan, our President, under Your provident care. We ask Your everlasting blessings upon the President of the United States, the honorable Members of this Congress, the members of the Supreme Court, and all the servants of this Nation. Protect them and all of us, from the visible and invisible enemies. Bestow Your divine wisdom upon them and upon all those unto whose judgment the destiny of the United States and the world have been trusted.

We ask this, O Lord, to the praise and glory of Your holy name, and in the name of our Lord and Savior, Jesus Christ. 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.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 321, nays 7, answered "present" 4, not voting 98, as follows:

[Roll No. 24]

YEAS—321

Addabbo	Crane, Philip	Gray
Albosta	D'Amours	Green
Alexander	Daniel, Dan	Gregg
Anderson	Daniel, R. W.	Guarini
Andrews	Danielson	Gunderson
Annunzio	Dannemeyer	Hall (OH)
Applegate	Daschle	Hall, Sam
Archer	Davis	Hamilton
Ashbrook	de la Garza	Hammerschmidt
Aspin	Deckard	Hance
Atkinson	Derrick	Hansen (ID)
AuCoin	Dickinson	Hawkins
Badham	Dicks	Heckler
Bafalis	Dingell	Hefner
Bailey (PA)	Dixon	Heftel
Barnard	Donnelly	Hendon
Barnes	Dorgan	Hertel
Beard	Dougherty	Hiler
Bedell	Downey	Holland
Beilenson	Dreier	Hollenbeck
Benedict	Duncan	Holt
Benjamin	Dunn	Hopkins
Bennett	Dwyer	Horton
Bereuter	Dymally	Howard
Bethune	Dyson	Hubbard
Bevill	Early	Huckaby
Biaggi	Eckart	Hughes
Bingham	Edwards (AL)	Hunter
Boggs	Emerson	Hyde
Boland	English	Ireland
Bolling	Erdahl	Jeffords
Bonior	Erlenborn	Jeffries
Bonker	Ertel	Jenkins
Bouquard	Evans (DE)	Jones (OK)
Bowen	Evans (IA)	Jones (TN)
Brinkley	Fary	Kazen
Brodhead	Fenwick	Kemp
Brooks	Ferraro	Kildee
Broomfield	Fields	Kindness
Brown (CA)	Findley	Kogovsek
Brown (CO)	Fish	Kramer
Brown (OH)	Fithian	Lagomarsino
Broyhill	Florio	Lantos
Burgener	Foley	Latta
Butler	Fountain	Leath
Byron	Fowler	LeBoutillier
Campbell	Frank	Lee
Carney	Frenzel	Lehman
Chappell	Frost	Lent
Clinger	Fuqua	Levitas
Coelho	Gaydos	Lewis
Coleman	Gejdenson	Livingston
Collins (TX)	Gephardt	Loeffler
Conable	Gibbons	Long (LA)
Conte	Gilman	Long (MD)
Corcoran	Gingrich	Lott
Coughlin	Ginn	Lowry
Courter	Gonzalez	Lujan
Coyne, William	Gore	Madigan
Craig	Gradison	Markey
Crane, Daniel	Gramm	Marks
Marlenee	Peyser	Solomon
Marriott	Pickle	Spence
Martin (NC)	Porter	St Germain
Martin (NY)	Price	Stangeland
Matsui	Pursell	Stark
Mavroules	Rahall	Staton
Mazzoli	Rangel	Stenholm
McCollum	Ratchford	Stokes
McCurdy	Regula	Stratton
McDade	Reuss	Studds
McDonald	Rhodes	Stump
McEwen	Richmond	Swift
McGrath	Rinaldo	Synar
McHugh	Ritter	Tauke
Mica	Roberts (SD)	Taylor
Michel	Robinson	Thomas
Mikulski	Roemer	Traxler
Miller (CA)	Rogers	Trible
Miller (OH)	Rose	Vander Jagt
Mineta	Roth	Vento
Minish	Rousselot	Volkmer
Molinari	Roybal	Walgren
Mollohan	Rudd	Waxman
Montgomery	Russo	Weaver
Moore	Savage	Weber (MN)
Moorhead	Sawyer	Weber (OH)
Morrison	Scheuer	Weiss
Mottl	Schneider	White
Murphy	Schulze	Whitley
Murtha	Schumer	Whittaker
Natcher	Seiberling	Whitten
Neal	Sensenbrenner	Williams (MT)
Nelligan	Shamansky	Winn
Nichols	Shannon	Wirth
Nowak	Sharp	Wolf
O'Brien	Shaw	Wolpe
Oberstar	Shelby	Wortley
Obey	Shumway	Wright
Panetta	Shuster	Wyden
Patman	Simon	Yates
Patterson	Skeen	Yatron
Paul	Smith (NE)	Young (AK)
Pease	Smith (NJ)	Young (FL)
Pepper	Smith (OR)	Young (MO)
Perkins	Snowe	Zablocki
Petri	Solarz	Zeferetti

NAYS—7

Edgar	Goodling	Walker
Edwards (OK)	Harkin	
Forsythe	Jacobs	

ANSWERED "PRESENT"—4

Johnston	Ottinger
Lundine	Udall

NOT VOTING—98

Akaka	Evans (GA)	Luken
Anthony	Evans (IN)	Lungren
Bailey (MO)	Fascell	Martin (IL)
Blanchard	Fazio	Mattox
Bliley	Fiedler	McClory
Boner	Flippo	McCloskey
Breaux	Foglietta	McKinney
Burton, John	Ford (MI)	Mitchell (MD)
Burton, Phillip	Ford (TN)	Mitchell (NY)
Carman	Garcia	Moakley
Chappie	Glickman	Moffett
Cheney	Goldwater	Myers
Chisholm	Grisham	Napier
Clausen	Hagedorn	Nelson
Clay	Hall, Ralph	Oakar
Coats	Hansen (UT)	Parris
Collins (IL)	Hartnett	Pashayan
Conyers	Hatcher	Pritchard
Cotter	Hightower	Quillen
Coyne, James	Hillis	Railsback
Crockett	Hutto	Roberts (KS)
Daub	Jones (NC)	Rodino
Dellums	Kastenmeier	Roe
DeNardis	LaFalce	Rosenthal
Derwinski	Leach	Rostenkowski
Dornan	Lederer	Roukema
Edwards (CA)	Leland	Sabo
Emery	Lowery	Santini

Schroeder	Stanton	Whitehurst
Skelton	Tauzin	Williams (OH)
Smith (AL)	Wampler	Wilson
Smith (IA)	Washington	Wylie
Snyder	Watkins	

□ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution and a concurrent resolution of the House of the following titles:

H.J. Res. 155. Joint resolution to authorize and request the President to issue a proclamation designating May 3 through May 10, 1981, as "Jewish Heritage Week"; and

H. Con. Res. 116. Concurrent resolution providing for a joint session of the two Houses on Tuesday, April 28, 1981, to receive a message from the President of the United States.

The message also announced that the Senate agreed to the following resolution:

S. RES. 117

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable Tennyson Guyer, late a Representative from the State of Ohio.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 60. Joint resolution to authorize and request the President to designate the week of May 3 through 9, 1981, as "National Physical Fitness and Sports for All Week."

The message also announced that the Vice President, pursuant to Public Law 85-874, appointed Mr. MCCLURE as a member, on the part of the Senate, of the Board of Trustees to the John F. Kennedy Center for the Performing Arts, vice Mr. WILLIAMS, resigned.

The message also announced that the Vice President, pursuant to Public Law 91-551, appointed Mr. GOLDWATER and Mr. GARN as members, on the part of the Senate, of the Board of Regents to the Smithsonian Institution.

The message also announced that the Vice President, pursuant to section 194(a) of title 14, United States Code, appointed Mr. CHAFEE as a member, on the part of the Senate, of the Board of Visitors to the U.S. Coast Guard Academy.

The chairman of the Committee on Commerce, Science, and Transportation, under the above cited law, appointed Mr. STEVENS and Mr. HOLLINGS as members of the same Board of Visitors.

The message also announced that the Vice President, pursuant to section 1126(c) of title 46, United States Code, appointed Mrs. HAWKINS as a member, on the part of the Senate, of the Board of Visitors to the U.S. Merchant Marine Academy.

The chairman of the Committee on Commerce, Science, and Transportation, under the above cited law, appointed Mr. GORTON and Mr. INOUYE as members of the same Board of Visitors.

The message also announced that the Vice President, pursuant to Public Law 86-42, appointed Mr. STEVENS (chairman) and Mr. ZORINSKY (vice chairman) as members, on the part of the Senate, of the Canada-United States Interparliamentary Conference, to be held in Halifax, Nova Scotia, May 22-26, 1981.

ARCHBISHOP VATCHE HOVSEPIAN

(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, it is a great pleasure and personal privilege for me today to present as our guest chaplain, Archbishop Vatché Hovsepian, who is primate of the western diocese of the Armenian Church of North America.

His Eminence, Archbishop Hovsepian, was born on June 11, 1930 in Beirut, Lebanon. After his early schooling, he entered the Armenian Theological Seminary in Antelias, Lebanon, to study for the priesthood and was ordained as a celibate priest in 1951. After serving as the assistant dean and instructor at the seminary for 2 years, he was sent to England to continue his theological education and studied at the College of the Resurrection near Manchester, England, for 1 year and thereafter continued his religious studies at the University of Edinburgh in Scotland. He completed his formal theological educational training at New Brunswick Theological Seminary at New Brunswick, N.J.

In 1956 Archbishop Hovsepian was appointed as pastor of the Holy Cross Armenian Church of Union City, N.J., and served as the head of that church until October of 1967. While pastor of Holy Cross Church, he took the lead in causing the construction of new church buildings, a new Sunday school headquarters was built, and he caused the tripling of the number of children enrolled in the Armenian schools of that community.

In October 1967 His Holiness Vasken I, appointed him as the vicar general of Canada, consecrated him as bishop and designated him to be the bishop of Canada. As such, he was the first bishop of Canada and he was responsible for the organization of that completely new diocese. His mastery of the English and French languages was a great help to him in his work in Canada and under his leadership several new parishes were organized, a cathedral was purchased for the diocese, and school facilities were organized in several parishes. In the spring of 1971, his eminence was elected primate of the western diocese of the Armenian Church of North America with his headquarters in Los Angeles. In 1976 he was elevated to the rank of archbishop by His Holiness Vasken I. Archbishop Hovsepian's service as primate of the western diocese of North America is exemplified by the rapid growth and vigorous spiritual and cultural life of his community. He is responsible for the building of several new churches and schools, for organizing new parishes, parish retreats and regional conferences and the important establishment of an endowment fund, thus making the western diocese one of the strongest and fastest growing in his church.

Again, I state I am most pleased to have a chance to sponsor Archbishop Hovsepian's appearance as our guest chaplain today, and I know that you, Mr. Speaker, and all of our Members join in wishing him continued blessing in his work.

ARCHBISHOP VATCHÉ HOVSEPIAN

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

Mr. ANNUNZIO. Mr. Speaker, it gives me great pleasure today to join my distinguished colleague, GEORGE DANIELSON, of California, in welcoming His Eminence Archbishop Vatché Hovsepian, primate of the Armenian Church of North America, western diocese.

On behalf of my constituents from the 11th Congressional District of Illinois, many of whom are of Armenian descent, I want to say I know how happy they are that Archbishop Hovsepian delivered the invocation.

Prior to assuming his present responsibility as primate of the western diocese of the Armenian Church of North America, Archbishop Hovsepian had served as bishop of Canada and as vicar general of Canada. He had also served as pastor of the Holy Cross Armenian Church of Union City, N.J., and over the years has established a distinguished reputation as a theologian, administrator, author, scholar, and teacher. His inspired leadership was instrumental in revitalizing the western diocese, and it is in large part due to his dedicated efforts that the St. John Armenian Cathedral of Hollywood was established.

It is especially fitting that Archbishop Hovsepian offered the opening prayer in the House of Representatives, for today we are observing the 66th anniversary of the genocide in 1915 by the Turks of more than 1,500,000 Armenians.

Mr. Speaker, I want to thank Bishop Hovsepian for being with us and for delivering the invocation today. I also want to add that the sad fate of those innocent victims of the Armenian holocaust is very much in mind today as we pay tribute to their blessed memory and martyrdom.

SWEARING IN OF THE HONORABLE MARK D. SILJANDER, OF MICHIGAN, AS A MEMBER OF THE HOUSE

Mr. BROOMFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan, Mr. MARK D. SILJANDER, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

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

There was no objection.

The SPEAKER. Will the Members of the Michigan delegation please escort the gentleman to the rostrum?

Mr. SILJANDER appeared at the bar of the House and took the oath of office.

□ 1230

APPOINTMENT AS MEMBERS OF COMMISSION ON NATIONAL DEVELOPMENT IN POSTSECONDARY EDUCATION

The SPEAKER. Pursuant to the provisions of section 101(a), Public Law 96-374, the Chair appoints as members of the Commission on National Development in Postsecondary Education the following Members on the part of the House: Mr. BIAGGI of New York; Mr. COLEMAN of Missouri; and the following from private life: Mr. J. Donald Monan, Chestnut Hill, Mass.; Mr. David M. Bartley, Holyoke, Mass.; Mr. Richard A. Fulton, Washington, D.C.; Mr. Aubrey Lucas, Hattiesburg, Miss.; Mr. John Corbally, Urbana, Ill.; and Mr. Martin Abegg, Peoria, Ill.

THE OUTRAGEOUS ATROCITIES IN EL SALVADOR

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

Mr. PEYSER. Mr. Speaker, this morning it was announced that after 5 days in El Salvador, Father Roy Bourgeois has been abducted. Father Bourgeois has served at Our Lady of Mount Carmel Church in my district in Elmsford, N.Y.

Mr. Speaker, I hope a clear message will be sent to President Duarte that after the murder of four American nuns, American businessmen, and now this abduction, that we in this Government have had enough and that further American aid will be dependent on how quickly and properly the Government of El Salvador responds to these outrageous atrocities.

I think we have had enough, and I think the American people have had enough of this type of action.

INTRODUCING LEGISLATION TO EXTEND REORGANIZATION ACT

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

Mr. BROOKS. Mr. Speaker, today I have introduced a bill to renew the authority of the President to reorganize the executive branch. This authority has been granted to Presidents, with some interruptions, since 1932. The most recent extension expired April 6.

My bill would extend the authority for 2 years from the date of enactment. It would also make a number of other changes in the procedures that have been followed in the past.

The most significant change is in the method of approval of the plans by Congress. Previously, Congress could vote only to disapprove a plan, a confusing procedure that required one to vote "no" in favor of a plan, and "yes" against it. My bill would bring the plans to the floor in a straightforward manner for a vote of approval rather than disapproval.

I am also proposing an extension of the time Congress would have to consider a plan before it went into effect. In the past, 60 days after a plan was submitted to Congress it took effect, unless disapproved by either the House or Senate. I am extending that time to 90 days, after which a plan would go into effect unless an approval resolution was defeated by either the House or Senate.

I am also extending from 30 to 60 days the time in which a plan could be amended by the President after its submission.

I think these changes, along with some of a technical nature that are included in my bill, will provide for a more rational procedure and permit Congress to act in a more responsible manner on reorganization plans.

REQUIEM FOR A HEAVYWEIGHT

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

Mr. DYMALLY. Mr. Speaker, the Nation put to rest, while Congress was in recess, a great American, and I think it is fitting that we pay tribute to this fallen giant.

Joe Louis was the "Champ," the "Brown Bomber," an athlete whose accomplishments are unparalleled. He was the man who, long before the civil rights movement, instilled pride and dignity in the minds and hearts of black Americans. He vindicated us. But he transcended the lines of race and class to become, during World War II, the American hero. In one of history's most poignant moments, this descendant of an enslaved people became the symbol of resistance to the sordid racism of Hitler's Nazi Germany when he defeated Germany's heavyweight boxing champion, Max Schmeling, in 1938. And so he redeemed us.

A simple, humble man, born 66 years ago in the wretched poverty of Alabama, Joe Louis rose to the heights of fame and glory, only to meet again in his last years the trials of economic adversity and debilitating illness. Yet, he retained a sweetness of spirit and an innocent gentleness that might continue to inspire us all in moments of discouragement and despair.

Joe Louis was truly a universal man. What he did, he did often in spite of the obstacles that this country set before him. Yet, he gave to us love, and not bitterness. He gave generously, without selfishness. We are indebted to him, perhaps more than we can ever know. We cannot repay him, except to hold his memory dear.

SMALL ROYALTY HOLDERS AND THE WINDFALL PROFITS TAX

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

Mr. ANDERSON. Mr. Speaker, I am introducing legislation today to give some relief to small royalty holders from the windfall profit tax. My bill would extend for the life of the tax the 1-year tax credit of the first $1,000 which would have to be paid on oil production which we enacted in the reconciliation bill at the end of the last Congress. My bill also includes an inflation factor so that that $1,000 can be increased automatically if inflation continues.

Most of us have received letters indicating the plight of small royalty holders who are not wealthy, who could desperately use the additional money from decontrolled oil prices, and who are turning most of their increased revenue over to the Government under the windfall profit tax. Most of the proposals I have seen to correct this problem, however, deal with a completely different scale.

They call for exemptions from the tax of anywhere from 10 to 1,000 barrels per day of production. For each one barrel exempted, there may be as much as $5,000 per year in unpaid tax. So, 10 barrels per day equates to $50,000 per year; and 1,000 barrels means $5 million per year. With those amounts, we are clearly no longer talking about some retired couple on social security with a small well on their property. Those solutions strike me as shooting rabbits with gold-plated cannon balls.

I believe that my bill, Mr. Speaker, directly addresses the problem which concerns many of us. It will give adequate relief to the small royalty holders. It will not be making the fat cats fatter at the expense of the American public. And it will not make such a large dent in the revenues of the windfall profit tax that we are taking incentive revenue away from those who are making decisions about the finding of new domestic oil sources.

AMENDMENT TO BE OFFERED TO FARM BILL TO PROHIBIT SALE OF GRAIN TO SOVIET UNION AT BELOW COST OF PRODUCTION

(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, by lifting the grain embargo to the Soviet Union, the Reagan administration has in effect allowed a vast subsidy to the Soviet Union, for we sell our grain at below the cost of production and the taxpayer subsidizes that grain and the farmer loses money on it. This loss is a subsidy to the Soviet Union. At the very time that we vote billions of dollars in defense against the Soviet Union, we are subsidizing the Soviet Union by these cheap grain sales.

Mr. Speaker, I will offer an amendment to the farm bill to prohibit the sale of grain to the Soviet Union at below the cost of production.

REAGAN'S DEFENSE SPENDING COULD TURN INTO ECONOMIC NIGHTMARE

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

Mr. SEIBERLING. Mr. Speaker, the Washington Post for Saturday, April 25, contains an outstanding article by Robert G. Kaiser concerning the potential for economic disaster in the huge increase in the defense program requested by President Reagan.

On the basis of interviews with leading economists, Mr. Kaiser points out that if Congress enacts this enormous defense program, as seems likely, and if the national economy fails to perform as well as the administration predicts, what is supposed to be a balanced budget in 1984 could be a $100 billion deficit. He also points out that every major economic forecasting firm, as well as the Congressional Budget Office, says that the promised Reagan boom will not materialize.

The article notes that the Reagan administration proposes to increase defense spending in the next 3 years by an amount greater than the entire defense budget of 1978. Further, in constant dollars, this buildup will be three times larger than the Vietnam buildup, which was the strain on our economy that provoked America's current inflation.

Mr. Kaiser's article mentions that the Congressional Budget Office believes that the administration underestimates the rate at which the prices of defense-related products are rising. The Congressional Budget Office estimates that to complete the programs in the Reagan budget could cost $50 billion more in 1984 than the administration expects. In general, prices for military goods, according to the article, are rising 50 percent faster than the underlying rate of inflation.

Our distinguished colleague, LES ASPIN, has recently brought out a study showing the tremendous economic disadvantage that the United States suffers in competition with Japan and Western Europe because of the fact that the United States spends a far greater proportion of its GNP on military programs than Japan and most of the Western European countries. The Robert Kaiser article quotes economist, Lester C. Thurow of MIT, who points out that one of the reasons for this is that American defense industries draw off the best engineers and skilled labor. Professor Thurow is quoted as saying:

> If the skilled personnel and funds that are used for defense here are used for civilian production abroad, it should not come as a great surprise when we are driven out of the civilian markets. What happens to us if we are driven out of semiconductors, microprocessors and computers while we are busy rearming ourselves?

Before the Congress makes the long-range commitment to costly new military programs that is implicit in the Reagan budget, we had better do a cost benefit analysis of these programs. A bankrupt America or one racked by mounting social unrest from civilian budget cuts is not likely to be a very impressive military power.

The full text of the Robert Kaiser article follows:

REAGAN'S DEFENSE SPENDING COULD TURN INTO ECONOMIC NIGHTMARE

(By Robert G. Kaiser)

There is a potential Republican nightmare for 1984 buried in the Reagan administration's "Program for Economic Recovery." It can be found under "D"—for defense.

If Congress enacts the enormous Reagan defense program, as it now seems eager to do, and if the national economy fails to perform as well as the administration predicts it will, that nightmare could become reality. If a tax cut is passed and the promised Reagan boom fails to materialize, what is supposed to be a balanced budget in 1984 could have a $50 billion to $100 billion deficit.

Every major economic forecasting firm and the Congressional Budget Office say that the boom won't materialize.

The significance of the administration's proposals can be stated in simple numbers. This year the Pentagon will spend about $168 billion. By 1984, according to the administration's optimistic calculation, that figure will rise to $256 billion. By the Congressional Budget Office's reckoning (the CBO is more pessimistic than the administration's Office of Management and Budget about the prospects for reducing inflation), the 1984 figure actually will be $267 billion, or a 64 percent increase in just three years.

Stated another way, the Reagan administration proposes to increase defense spending in the next three years by an amount greater than the entire defense budget of 1978. In constant dollars, this buildup would be three times larger than the Vietnam war buildup; as a percentage of gross national product the Reagan increase would equal the Vietnam experience. It was that late-1960s strain on the economy, numerous economists say, that provoked America's current economic problems.

Conditions have changed since the late '60s, and there are economists who believe that the economy and the federal budget can absorb the huge defense increases that President Reagan favors (in real terms, an 11.5 percent increase in budget authority this year, a 14.8 percent increase next year). Several administration economists pointed out, that even if the Reagan buildup is fully approved by Congress, defense spending will represent a smaller portion of GNP than it did in the late '60s—about 7 percent compared to 10 percent then. But the proposed increases are unprecedented in size and there is great political momentum now behind them, a combination that makes this potential nightmare at least worth considering.

Few politicians in Washington seem to be considering it just yet. Congress is rushing into the new defense program with enthusiasm and, thus far, very little scrutiny.

Theoretically, nothing would prevent the administration from cutting back on defense spending if it saw the economy falling behind its optimistic predictions. Lawrence Kudlow, chief economist at the Office of Management and Budget, made this point in an interview, saying: "If any overall budgetary adjustments are necessary [in the future], then they'll be made . . . . Defense expenditures are always considered as part of the overall budget picture."

But defense spending is not so easy to alter, particularly in the midst of a multiyear buildup like the one now beginning. For example, if the Reagan administration were to decide in January 1983 that excessive defense spending jeopardized any chance at a balanced budget in 1984, it would find that it had already lost control of all but about 16 percent of the procurement outlays scheduled for the 1984 defense budget.

This is because money appropriated for defense programs in one year actually is spent over the next several years. According to figures compiled by the CBO, $72 billion will be spent on procurement of weapons and equipment in 1984 under the Reagan budget. But in January 1983, $61 billion of that amount already would be appropriated (most of it in the '82 and '83 budgets), so it would be locked in and beyond the reach of any sudden effort to cut defense spending. Only about $11 billion of the '84 outlays would remain to be appropriated after January 1983.

The nonprocurement sections of the budget would be equally hard to reduce suddenly, because they represent money spent to support and maintain forces in being.

Moreover, defense spending is more than just another item in the Reagan budget. The new administration has made a stronger national defense its top spending priority, and has treated funds for the Pentagon as a unique budget category. While the Office of Management and Budget has been slicing away at almost every department in the government, the Reagan White House actually gave the Pentagon more than it asked for in its 1982 budget.

According to sources inside OMB, the usual staff work was dispensed with this winter as the new administration rushed to pump more dollars into defense.

The administration has further committed itself to huge defense outlays by promising to stick to the program it has outlined, even if its price goes up. Defense Secretary Caspar W. Weinberger has testified at least twice that if inflation pushes up costs, he'll return to Congress to ask for more money.

That prospect raises fears among some economists of a repetition of the Vietnam experience. Lyndon B. Johnson refused to raise taxes to pay for his Vietnam buildup, insisting that the Great Society could have both guns and butter. Instead, he set off the inflation that still plagues the United States.

Now President Reagan proposes a much bigger buildup in absolute terms.

Not all economists agree that the defense buildup Reagan proposes is inherently dangerous. Some economists believe the economy now has enough slack to cope with this buildup relatively easily, perhaps at the cost of about an additional one percent added to the inflation rate. That was the consensus among several of the nation's best-known economic forecasters at a Pentagon-sponsored seminar last fall.

But those economists all assumed that a big military buildup would be financed either by a tax increase or by cuts in other forms of government spending. The Reagan budget proposes to balance increased defense spending with a new boom in the domestic economy.

As calculated by Prof. Lester C. Thurow of the Massachusetts Institute of Technology (an adviser to Democratic politicians who is unabashedly critical of the Reagan program), Reagan proposes to offset a $196 billion tax cut and a $181 billion increase in defense spending with $138 billion in civilian spending cuts. Then new revenue generated by vigorous economic growth hypothetically would balance the Reagan budget by 1984.

Thurow is one of the economists who has argued that the Reagan defense program could create serious new economic difficulties. Another is Wassily Leontief, Nobel Prize-winning economist now at New York University, who said in a recent interview: "If handled improperly, these huge jumps in military spending will mean higher inflation, a worsening balance-of-payments gap, a drain on productive investment, soaring interest rates, increasing taxes, a debased currency and, in the longer term, more unemployment."

Leontief disputes the administration's optimism.

"Reagan hopes our gross national product will expand so much that we will be able to pay for higher defense spending without raising taxes," he told U.S. News and World Report. "This is not likely to happen. In fact, I personally guarantee that it will not happen."

Administration economists argue otherwise. Kudlow of OMB contends that the administration's budgetary and monetary policies will bring down the inflation rate, thus in effect holding down the real cost of defense spending. He disputed any suggestion that high defense spending might itself aggravate inflation.

"We've done a study on that," Kudlow said. It concluded that when defense spending was high in the 1960s, inflation was low, he said, but when defense spending fell dramatically as a percentage of GNP in the '70s, inflation rates soared.

There are numerous unanswered questions about the potential economic impact of the Reagan defense budget, but few of them have yet been raised in any congressional committee or other official forum.

First of all, the simple budgetary facts have been obscured, largely by rhetoric about the President's "budget-cutting" crusade. In fact, Reagan is not proposing to cut the federal budget. He is proposing to slow the rate at which it will grow. Instead of reducing the budget, the administration wants to transfer billions previously earmarked for social programs into defense.

If the Reagan budget were adopted by Congress, and OMB's optimistic forecasts for the economy came true, this is what would happen to the federal budget and the national economy:

Gross national product would grow 41 percent, from $2.9 trillion in 1981 to $4.1 trillion in 1984. Civilian expenditures in the federal budget would grow from $493.1 billion to $614.6 billion, a 25 percent increase. And outlays for defense would rise 60 percent from $162 billion to $260 billion in 1984—and continue growing to $343 billion in 1986. (All of these figures are in current dollars, unadjusted for inflation.)

Using the CBO's less optimistic economic assumptions, the 1984 defense budget might be 10 percent higher than Reagan predicts. But the CBO also believes that the administration underestimates the rate at which the prices of defense-related goods are rising. To complete the programs in the Reagan budget could cost $50 billion more by 1984 than the administration expects, CBO has estimated.

Defense-sector inflation is another area that has received almost no public attention in the discussion so far over Reagan's defense proposals. In fact, prices for military goods are rising 50 pecent faster than the underlying rate of inflation.

Some weapons systems have more than doubled in cost just in the last two years. The unit cost of the Army's new, advanced armored personnel carrier, for example, rose 94.8 percent in 1979 and another 65 percent in 1980. A modified version of the C130 air transport equipped with advanced electronics went up in price 75.9 percent in 1979 and another 26 percent last year. The price of an F18 jet fighter, in which the Reagan administration plans to invest heavily, went up 25 percent in 1979 and 44 percent in 1980.

Overall, the costs of the 47 major weapons systems now being purchased by the Pentagon rose more than 20 percent in 1980. According to a CBO calculation, while the underlying rate of inflation in the economy as a whole last year was 9.3 percent, costs of defense purchases went up 14.9 percent. For four years up to 1980, the same index shows, defense-sector inflation was less than a point higher than inflation generally; the sudden jump last year hints at a new explosion in defense costs.

This is another area that has received relatively little public attention, although a number of gloomy (and prolix) official reports have been written on the subject. During the 1970s, when defense spending fell to the lowest levels (as a percentage of GNP) of the postwar era, what has been called the military-industrial complex changed radically. Thousands of small firms that were subcontractors to the giant defense firms in the 1960s—providing 50 to 60 percent of the components of most major weapons systems—went out of business, or out of the defense business.

In many critical areas, there are only one or two firms in the United States that can provide key parts. According to the Pentagon's Defense Science Board, only two companies make the titanium wing skins crucial to advanced aircraft; only three firms make aircraft landing gear; just one manufactures special ball bearings for air frames. Only two shipyards in the country—both of them already working at full capacity—can build many of the ships in the new Navy budget.

As a result of real or potential bottlenecks such as these, the waiting times for the Pentagon to take delivery on major weapons systems after they are ordered have stretched into years. According to the Defense Science Board, the waiting time for an F15 jet fighter is 41 months; for an A10, 49 months. Numerous experts have testified that the U.S. defense industry does not have the capacity to sustain a surge in production to meet the needs, for example, of an unexpected military conflict, and the surge called for in the Reagan budget will be difficult to satisfy.

Bottlenecks in domestic defense industries and a sudden intensification of defense orders contribute to another little-discussed repercussion from a new defense buildup: the stimulation of an increase in imports. Last fall, the major economic forecasters met in a seminar sponsored by the Pentagon to discuss the possible impact of a surge in defense spending. Althouth they all differed in their predictions, all agreed that increased imports would be one consequence.

Thurow of MIT argues that a defense buildup could prove more profitable to West Germany and Japan than to the United States, partly because of the new sales it will mean for firms in that country, partly because American defense industries draw off the best engineers and skilled labor.

"Would you rather work on designing a new missile with a laser guidance system, or on designing a new toaster?" Thurow has written. "To ask the question is to answer it. Military research and development is more exciting . . . The military is willing to pay almost any premium to have a better product. The civilian economy is not. As a result, the very best brains move into defense."

"If the skilled personnel and funds that are used for defense here are used for civilian production abroad," Thurow added, "it should not come as a great surprise when we are driven out of civilian markets. What happens to us if we are driven out of semi-

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conductors, microprocessors and computers while we are busy rearming ourselves?"

None of these questions about the potential impact of the Reagan defense program have been raised very loudly in Congress. Critics can be found, particularly on the liberal end of the political spectrum, but few of them volunteer their views before they are solicited.

"You're going to spend more, get less, and ultimately put yourself in a far more dangerous position," according to Rep. Thomas J. Downey (D-N.Y.). Downey, a member of the House Budget Committee, then was asked if he would try to delete any of the defense program from the budget resolution. No, he said. "It's no use."

DEBATE AND DECISION ON BUDGET MUST BE BASED ON FACT

(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, this week's debate and decision on the budget must be based on fact. And the fact is that the President's budget contains the makings of the highest series of budget deficits in peacetime history.

The spending and revenue estimates in the House Budget Committee's recommendations are based on a cautious forecast of the economy's performance. These projections were made after we listened to the country's most distinguished economists.

The President would have us gamble on his administration's guesses and hopes that the growth rate of the economy will be 80 percent higher than most economists predict. The administration wants us to gamble that inflation and interest rates will decline twice as fast as we can reasonably expect.

I wonder how many of my friends on the Republican side of the aisle would be up here denouncing these rosy economic forecasts if they had been proposed by a Democratic President.

And I wonder how many of my colleagues in the minority would support such huge deficits if they were not camouflaged by phony economic assumptions.

INTRODUCTION OF THE ORGANIZED CRIME ACT OF 1981

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

Mr. BENNETT. Mr. Speaker, I am today introducing the Organized Crime Act of 1981. This legislation comes as a result of extensive hearings held last year by the Senate Permanent Subcommittee on Investigations chaired by my distinguished colleague from Georgia, SAM NUNN.

This legislation will greatly expand the Federal Government's ability to fight a network of organized violence which the FBI estimates generates an underground economy of $120 to $160 billion each year. When compared to the $50 billion gross annual income of Exxon, the extent of organized crime in America is staggering. In Florida alone, organized criminal activity has risen over a third in the past 12 months as the infusion of narcotics has turned Florida into a battleground. Law enforcement authorities in Dade County alone reported over 40 gangland executions in a recent 10-month period. The time for action is now.

Today, over 20 percent of FBI investigative units are involved in attacking mob violence. Organized crime knows no ethnic boundaries and encompasses the entire spectrum from the Hell's Angels to the massive and infamous La Cosa Nostra. Despite this diversity, all of organized crime has a single common denominator: violence.

Testimony before PSI painted a terrifying picture of organized violence in this country. Horror stories of bombings in Kansas City and Rochester, the brutal murders of innocent bystanders in Chicago, and an eerie recounting of a Mafia initiation ceremony in New York seem more from the pages of trashy novels than the pages of Senate hearings. Yet the assassination of a Federal judge in Texas and the gangland executions of south Florida are graphic reminders that mob violence is all too real. According to Senator PERCY:

> Shakedowns and threats remain the standard mob business tool, with bombings, arson, and murder the necessary back-up. To insure its success, the mob bankrolls political corruption so that eyes are diverted and backs conveniently turned, leaving the victims helpless and utterly alone.

We can afford to turn our backs no longer. The growth of this cancer known as organized crime must be arrested before it eats away the foundation of law and order on which our Nation rests. We can wait no longer.

The Organized Crime Act of 1981 seeks to engage all the resources of the Federal Government in the war against mob violence. First, it would allow the Federal and local governments to work hand in hand in the investigation and prosecution of organized crime, including the area of professional contract murders. Second, it will make it a Federal offense to harm or threaten law enforcement officials, witnesses and potential witnesses, informants, and their families. It will also expand the court's authority to protect the confidentiality—and the lives—of informants. Third, it will allow Federal judges to dramatically increase the penalty for crimes committed through the use of violence. Finally, this legislation would provide flexibility in denying bail to those who could be proved to be a threat to the community. All too often, major drug smugglers look upon bail as "simply the cost of doing business." Violence, narcotics, and organized crime are inseparable. This legislation would help insure that the highest echelons of the organized crime/drug cartel are brought to trial.

Mr. Speaker, organized crime becomes stronger each day. We can wait no longer. I urge the Congress to move quickly in enacting this urgent legislation.

NEWEST MEMBER OF HOUSE OF REPRESENTATIVES—MARK SILJANDER OF FOURTH DISTRICT OF MICHIGAN

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

Mr. MICHEL. Mr. Speaker, today we welcome the newest Member of the House of Representatives, MARK SILJANDER of the Fourth District of Michigan.

The gentleman from Michigan comes to this House on the wave of an impressive landslide victory. He is the 190th Republican Member. Believe me when I say I am happy to have his vote added to that of his 189 colleagues on this side of the aisle. His timing could not have been better.

The gentleman, I am sure, knows full well the challenges that lie ahead for him. But in my conversations with him, I have come to believe that he will meet those challenges expertly. Mr. SILJANDER brings to the House his experience as a State representative in Michigan, he is no stranger to the legislative process.

We are very happy to have him among us and pledge our cooperation and assistance in the weeks and months ahead.

When we leave the floor today, we intend to give the gentleman from Michigan a crash course in matters pertaining to the Federal budget. He will have a test on the subject matter within a very few days. I can assure you he will be well prepared, and I am confident he will pass with flying colors.

VETERANS' CENTERS SHOULD NOT BE CLOSED

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

Mr. NELLIGAN. Mr. Speaker, during the Easter recess I visited the Veterans' Administration Office in Wilkes-Barre, Pa.

This office is staffed by only four people. But it serves 11 counties and conducts over 1,800 interviews each month.

If OMB guidelines are followed, the Wilkes-Barre Center will be closed. In addition, a service officer located at the VA hospital in Wilkes-Barre may lose his job.

In my opinion, these actions would be penny wise and pound foolish. The Wilkes-Barre Center provides invaluable service to hundreds of thousands of veterans in northeastern Pennsylvania. And the service officer assigned to Wilkes-Barre has provided over 30 years of dedicated assistance. This man is also a recipient of the Congressional Medal of Honor.

Mr. Speaker, it is my hope that these OMB guidelines are just that—guidelines and not a directive. I urge the OMB to withdraw these guidelines immediately so that veterans throughout the Nation can continue to receive the service they so richly deserve.

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

Mr. NELLIGAN. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, being on the Veterans' Affairs Committee, I think I can assure the gentleman today that we think there is a hold on cutting back on these regional offices on personnel and also on the Outreach facilities, and I think the gentleman's position on this facility that there should not be a reduction in personnel at this time, we have gotten that commitment from the OMB, and this pertains to all of the regional offices and some of the hospital-bed personnel around the country. So there is a hold on cutting back on VA personnel at this time in the VA administration personnel.

Mr. NELLIGAN. I thank the chairman for that good news.

PRESIDENT REAGAN'S ECONOMIC RECOVERY PLAN SHOULD BE IMPLEMENTED

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

Mr. CRAIG. Mr. Speaker, for the past 2 weeks I have been traveling throughout my district in Idaho listening to people's concerns and thoughts. From senior citizens to union members, farmers to loggers, and miners to businessmen—I came away with the same message.

My farmers are hurting. My homebuilders are sitting idle. My loggers are not cutting. Small businesses are going under. Economic stagnation has dug its claws into the State of Idaho.

The people of Idaho asked me to return with a message for you, Mr. Speaker. They wanted me to tell you and the other Members of the House that they are waiting on the implementation of President Reagan's economic recovery program. They want this House to work with the Senate and the President to reduce our inflation, to reduce our taxes, and to restore the American dream of hope and prosperity.

The people back home realize some hurt will be felt with reductions to Government programs. They are willing to accept the hurt today in order to have a better tomorrow. Those miners, farmers, loggers, union members, and businessmen will do their part to make America great again—strong again. It is time we do ours.

Mr. Speaker, there is no more time. The need is now. The choice is clear. An economic idea has been planted. It is now time to harvest. Let us put President Reagan's economic recovery plan into action now.

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A VOTE FOR ECONOMIC RECOVERY

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

Mr. DREIER. Mr. Speaker, the support I found at home last week for President Reagan's economic program was overwhelming, from Democrats and Republicans alike.

The President has my support and I would like to share just one example of why the President's program is so vital to the economic survival of this Nation.

The local board of realtors in Pomona, Calif., delivered a letter with thousands of signatures for me to bring back to President Reagan. The point of the letter was simply this: Too many Americans can no longer afford to buy a home. With the median cost of a house at $64,000, at today's interest rates the average family of four would require nearly $38,000 in income to qualify for purchase. With such statistics, nearly 68 million Americans are shut out of the housing market.

If business as usual is allowed to continue, by 1984 that family would need an income of $60,000 to afford a new home.

Vote "no" for business as usual, vote "no" for inflation and high-interest rates, vote "yes" for the Reagan bipartisan budget resolution.

CONSTITUENTS OF REPRESENTATIVE HILER SUPPORT PRESIDENT'S ECONOMIC PACKAGE

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

Mr. HILER. Mr. Speaker, 2 weeks ago, I mailed a questionnaire out to the people of the Third Congressional District of the State of Indiana. One of the questions dealt with the President's program for economic recovery; whether the people support the President's approach to solving our Nation's economic problems.

At the beginning of last week the responses began to arrive.

Well, those responses support President Reagan by a wide margin of 7 to 1—84 percent of the people in my district support the President's economic policies.

Like many of my colleagues, I was elected on a promise to support the proposals that are now the essential parts of President Reagan's economic package.

I urge all Members of the House to listen to their constituents—the people want the whole package. They want the tax cuts across the board. They want the spending cuts, which will reduce the Federal role in the economy. They want the opportunity to be able to keep their hard-earned dollars without being penalized by taxation.

On November 4 the people voted for Ronald Reagan; I think it is about time the Congress voted for Ronald Reagan.

I hope when President Reagan comes before Congress tonight in this Chamber, the Members will give him the warm reception he deserves, reflecting the overwhelming popular support for his economic proposals.

CONGRESSMAN BADHAM IN TOTAL SUPPORT OF PRESIDENT'S ECONOMIC RECOVERY PLAN

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

Mr. BADHAM. Mr. Speaker, tonight our President will address a joint session of Congress in an effort to drum up support for his economic plan for this Nation.

Unfortunately, there is a three-letter word being used among many of my colleagues that will have the net effect of tearing the administration's plan into little pieces. That word is the conjunction, "but."

On a daily basis I hear such utterances as: "I support the President's economic recover plan, but * * *," or, "I support the administration in its efforts to cut the cost and size of Government, but * * *".

There are just too many "buts" being used today in conjunction with the President's program. If we are serious about getting this country back on track, and have taken note of the mandate of November 4, then we ought to stop this nitpicking and support our President.

I believe the administration's philosophy was made clear when our former colleague, Dave Stockman, remarked:

I don't believe that there is any entitlement, any basic right to . . . services; and the idea that's been established over the last ten years that almost any service that someone might need in life ought to be provided, financed by the government as a matter of basic right, is wrong. We (the Administration) challenge that. We reject that notion.

I plan to support the President's economic recovery plan—no ifs, ands or buts.

KANSAS CITY ROYALS URGE PRESIDENT TO COME OUT SWINGING

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

Mr. JEFFRIES. Mr. Speaker, in the last 2 weeks I have put over 1,900 miles on my car, traveling the length and breadth of the Second District of Kansas to hear the people's views.

In my travels, I repeatedly heard one thing—support the President's program of budget cuts and tax rate reduction.

Today I was proud to present to President Reagan a baseball bat, symbol of the people's message to "go to bat for the President's program." I fully intend to be a pinchhitter for our President in the budget battle that faces us.

The bat that I will be presenting personally to the White House later this week has a special significance for us Kansans. It has been signed by the team members of our own Kansas City Royals. The Royals have asked me to urge the President to come out swinging in his fight against inflation and an unbalanced budget.

I am happy to oblige.

CONGRESS SHOULD RESIST EFFORTS TO DISMANTLE PRESIDENT'S BUDGET PACKAGE

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

Mr. WOLF. Mr. Speaker, I rise in support of the President's economic recovery program and I look forward to working with my colleagues on both sides of the aisle to act now to reduce Federal spending and taxes. Only if the President and Congress can work together will we reduce inflation which continues to sap the economic strength of our country. Twenty years ago, America enjoyed the premier economy of the world. Now, the signs of decay are everywhere.

Young people cannot buy a home; parents cannot educate their children; people on fixed incomes can no longer make ends meet. Inflation is devastating and it is our No. 1 problem.

Within 30 days of taking office, President Reagan proposed a sweeping, four-part program for economic recovery for the United States. The program is squarely based upon the campaign promises of the President and thus reflects the overwhelming mandate on which he was elected. During my own campaign for Congress I espoused the key elements of this plan: Spending cuts; tax rate cuts; regulatory relief; and a stable monetary policy.

I am committed to President Reagan's economic program—a program which offers vision for the future and hope at long last for fulfillment of our economic goals. I urge my colleagues to resist any efforts to dismantle the President's budget package.

ADMINISTRATION'S FOOD STAMP LEGISLATION

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

Mr. COLEMAN. Mr. Speaker, today I am proud to introduce the administration's food stamp legislation. As ranking minority member of the House Agriculture Committee's Domestic Marketing, Consumer Relations and Nutrition Subcommittee, I am committted to the goal of reducing the level of spending for food stamps while retaining a program adequate to serve the needs of those Americans truly dependent on nutrition assistance.

Latest Government statistics show that nearly 23 million Americans—1 out of every 10 of our citizens—receive food stamp benefits. In fiscal year 1981, outlays could reach as high as $11.45 billion—some $1.75 billion above the 1981 cap.

Clearly this program is out of control. The voters have told us as much by sending us a clear message that they want the food stamp program streamlined and restored to its traditional role as a food program for needy Americans—not an income maintenance program.

The administration has put forth a plan to reduce fiscal year 1982 spending by $1.8 billion. I believe the suggestions are worthy of support by all Members of this body who believe, as I do, that Federal spending must be reduced through careful reconsideration of our budget process.

Let me take a few moments to outline the major provisions of this legislation and the intended savings:

First. Set income eligibility limit at 130 percent of the poverty level. The administration estimates that less than 400,000 households would be excluded from the food stamp program by instituting this procedure. No family with an annual income below $11,000 would be dropped from food stamps. Under current law, a family of four with an income of nearly $14,000—over $1,100 per month—could receive food stamp benefits in fiscal year 1982. By raising the income eligibility to 130 percent of the poverty level we could reduce outlays by $270 million.

Second. Offset food stamp allotments for school lunch benefits. This procedure of eliminating one benefit per day per school age child during the school year would save about $522 million in fiscal year 1982, according to administration estimates. Under current law, food stamp allotments are calculated on the assumption that all family members eat all meals at home. However, many students eat free school lunches. As a result, Federal nutrition subsidies are duplicated for about 2.5 million households. By instituting a school lunch offset, the average monthly food stamp allotment for a household would be reduced by $11 per student per month in fiscal year 1982. As a comparison, the average monthly free lunch subsidy in 1982 for each student will be about $23.

Third. The administration seeks a $460 million savings by instituting a recommendation by the previous administration to repeal liberalized deductions scheduled for fiscal year 1982. The last administration, and the current one, see the need to bring the food stamp deduction procedures into line with other Government programs.

Fourth. Further savings, in the neighborhood of $310 million would be realized by maintaining other deductions at fiscal year 1981 levels and by improving management procedures in order to reduce the error rate in food stamp issuance.

Fifth. And, finally, by calculating food stamp benefits on past income rather than estimated income in the future, we can save a significant amount in future years.

Mr. Speaker, it is readily apparent that the administration is committed to improving the administration of the food stamp program through tighter cost controls and management procedures. The spending reductions being sought in this legislation have been carefully determined. They are designed to bring the food stamp program back to its original purpose.

Without these cost-saving measures I fear a growing public anger against the entire program and its worthy goal of providing nutrition assistance to the truly needy. We must, therefore, approve these reasonable improvements which will not take food out of the mouths of those in need, but which will bring fiscal restraint to one of the fastest-growing and unrestrained Federal spending progams in our Nation's history.

IT IS TIME FOR A CHANGE

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

Mr. WEBER of Ohio. Mr. Speaker, today I wish to reaffirm my support for President Reagan's program for economic recovery and for the vision he has for America. I say this not just for myself but for the citizens of the Ninth District of Ohio whom I have the privilege to represent. Like all of us, I have just returned from our district work period. What the people back home told me is very simple—it is time for a change.

Today we have a President who has offered us a new beginning, a solid program which requires "our best efforts and our willingness to believe in ourselves and our capacity to perform great deeds." President Reagan has won the support of the American people. A recent poll conducted in my district shows support for President Reagan's programs running 8 to 1. Time, however, is running out. We may not get another chance. As a constituent who recently wrote me stated: "America can't afford to drop the ball on this one."

THE MOMENT OF TRUTH

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

Mr. LOTT. Mr. Speaker, today the House Rules Committee began consideration of the first budget resolution for fiscal year 1982. Tonight the President will address a joint session of Congress in this Chamber on the importance of our decision on that budget resolution to the success of his program for economic recovery. This Thursday we will begin debate on that budget resolution in the House.

Mr. Speaker, we are rapidly approaching a moment of truth in this House, a critical test of whether we are serious about cutting back on Government spending, giving the American people a real tax break and putting this country back on the road to economic prosperity.

If there is one truth which was impressed I think on the Members during our district work period, it is that last fall's election results were no fluke. They were a genuine mandate from the American people for the kind of economic recovery program the President has proposed.

I would appeal to my colleagues on both sides of the aisle here today as we approach this moment of truth to support the Latta-Gramm substitute which will implement the will and the mandate of the American people and to reject the O'Neill-Jones resolution which ignores that mandate by increasing spending and taxes while reducing defense spending.

THE PEOPLE SUPPORT THE PRESIDENT

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

Mr. SHAW. Mr. Speaker, I have returned from Easter recess in my hometown of Fort Lauderdale, Fla., with one clear message ringing in my mind: The people support the President.

I made many speeches and the response of the audience was always the same; overwhelming support of the President's proposed budget.

I spoke to senior citizens in the condominiums, to working men and women in an electronics plant; I spoke to Cuban Americans, The Broward County League of Cities representing every city in my district; I spoke to chambers of commerce, to building contractors; I spoke to Jewish groups, and to church groups.

At a meeting of senior citizens, one man stood up to speak against the President. When I asked him if he wanted more of what we have had for the last 4 years, he emphatically responded, "No."

Because the Fort Lauderdale area is a retirement community, and the home of retirees from all corners of the country, I consider our community to be a representative cross-section.

Our community is overwhelmingly in favor of President Reagan's budget.

I am proud to support the President's budget.

LET'S GET WITH IT

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

Mr. BLILEY. Mr. Speaker, later this week as we begin consideration of the first concurrent budget resolution for fiscal year 1982, we will be confronted with a clear choice. We can choose to continue down the same road of tax and spend and tax and spend that we have been on for the last 30 years and adopt the Budget Committee's recommendation; or we choose to adopt the President's "program for economic recovery" as embodied in the Gramm-Latta alternative.

What will the difference be if we choose the committee's budget instead of the President's? The difference is quite clear. The Federal Government will spend an extra $25.3 billion, and the American people will be forced to pay an additional $38.6 billion of their hard-earned money in taxes under Mr. JONES' committee plan.

This, Mr. Speaker, is exactly what the American people said they were sick and tired of on November 4. The American people voted for lower spending, lower taxes, and responsible fiscal policy.

The choice is ours. We can support the committee's recommended budget of more spending, more taxes, more inflation, and continued economic stagnation. Or we can support the President's program of lower Government spending, lower taxes, lower inflation, lower interest rates, lower unemployment, and long-term economic growth.

Which road will we choose? I for one intend to vote for the President's program. A program to get Government off the backs and out of the pockets of the American people. A program to restore real growth and prosperity to the American economy. A program of renewed opportunity for all Americans. Mr. Speaker, distinguished colleagues, we are charged with representing the people. Let us get on with it.

□ 1300

AMERICANS ARE WILLING TO BE RESPONSIBLE FOR THEIR OWN MONEY

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

Mr. KINDNESS. Mr. Speaker, before leaving Washington for the recent district work period, we read and heard a great deal about public opinion with regard to the President's program for economic recovery, and I have to admit that I was more than a little confused to hear that there was increasing support for fiscal retrenchment, but skepticism about the need for a tax cut.

You can imagine my relief after spending about 12 days in southwestern Ohio and learning that the people of my district, and I suspect many others, are willing to shoulder the responsibility of keeping a little more of their money each year if we are willing to let them.

Most of the people I talked with seemed to think that inflation was hitting them twice: at the cash register and in their tax bills. And most of them seemed to think that taxes would continue to increase, I am told at a rate of about 16 percent a year, if we do not do something.

I know my constituents are being told that tax cuts would be inflationary—that it is inflationary for people to spend their money when their Government could be spending it—but you should see what these people would do with their money if they could count on a tax cut being phased in over a 3-year period, and they could plan ahead.

Why, they would reduce their debt, or save it. Some of them would salt some money away in the hope of making a down payment on a home. Some would invest their money. Is that so bad?

But they know that a one-shot tax cut would increase consumption and be inflationary.

We have got to help restore confidence in our economy and in the Congress. What better way than to tell the American people that we are going to let them have the tools they need to rebuild our economy. And that they can depend on it.

GOING TO BAT FOR PRESIDENT REAGAN

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

Mr. GINGRICH. Mr. Speaker, I was very proud and honored today to be asked to put on a pin to indicate that I am going to be at bat for President Reagan, for the American people and for the President's economic recovery program.

I think that we have a vital opportunity to turn this country around, to cut spending, to cut taxes, to have an opportunity to fight inflation and to create permanent jobs in the private sector.

With this pin, I am indicating my support for the President's economic recovery program. I hope every Member of the House in a bipartisan effort will join us in voting to change the way things have been going.

JOINT RESOLUTION SUPPORTING PROPOSED CONSTITUTION FOR U.S. VIRGIN ISLANDS

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

Mr. DE LUGO. Mr. Speaker, in September 1975 I introduced H.R. 9460 which authorized the people of the Virgin Islands to call a Constitutional Convention for the purpose of drafting a constitution providing a republican form of government and a Bill of Rights. This bill received tremendous support in the House, with 102 bipartisan cosponsors; it was passed on a unanimous vote by the Interior Committee; and it passed on a unanimous vote of the entire House on October 6, 1975. The bill became Public Law 94-584 on October 21, 1975.

Today, I am pleased to introduce this joint resolution supporting the proposed constitution for the U.S. Virgin Islands. Joining me as cosponsors are Hon. ANTONIO WON PAT, chairman of the Subcommittee on Insular Affairs; Hon. ROBERT LAGOMARSINO, ranking minority member; and Hon. PHILLIP BURTON, previous chairman of the Subcommittee on Insular Affairs and longtime friend of the territory. The constitution reflects the efforts of the delegates elected to the Fourth Constitutional Convention, who have worked diligently to create a document which provides the greatest opportunity for self-government while recognizing our position as part of these United States.

The people of the Virgin Islands have not taken the opportunity to demonstrate their political maturity lightly. This is evidenced by the fact that this is the fourth constitution drafted. The delegates, ever aware of their responsibility, have presented a document reflecting major concerns of the people.

Approval of this joint resolution, as submitted, would be consistent with established congressional policy to provide ever-increasing self-government for the territory and to allow the people of the Virgin Islands to exercise their basic right to self-determination. Upon approval, the constitution will be returned to the people of the Virgin Islands for them to complete this process by exercising their judgment in referendum.

THE DEMORALIZED NEEDY

(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, I, too, have spent a great deal of my time during the course of the last 2 weeks talking to my constituent groups. Dozens and dozens of organizations and individuals have come to my office, or I have seen them in their own areas, talking about the programs which they have depended upon for survival. They come to me demoralized and they leave depressed because I would tell them what they have been reading about the Reagan proposals is, in fact, true; that there will, indeed, be between $40 billion and $50 billion of those programs, child nutrition, education, aid for senior citizens, transportation, and health, and you name it, that are going to be cut back. They cannot understand it. They look at a President who seems to be a nice guy and they say, "How can he be doing this to us?"

I tell them, indeed, he is doing it to them. The saving grace, Mr. Speaker, is that after a year and a half or two perhaps the pendulum will swing back. I do not believe that the American people will stand for the kind of radical retreat which is being sounded by the Reagan administration.

TIME FOR CONGRESS TO GIVE THE AMERICAN PEOPLE A BALANCED BUDGET

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

Mr. ALEXANDER. Mr. Speaker, with all of the interest we are hearing around the Nation on the economy, I believe that it is time for the Congress to give the American people a balanced budget.

On April 20, the Commerce Department announced the economic growth figures for the first quarter of this calendar year. Those figures that reflect an annual growth rate of 6.5 percent—the highest growth rate in nearly 3 years.

On the following day, the cost price index for March reflected an annual rate of inflation of 7.5 percent—the lowest in many years.

These data are a clear signal that the economy is not staggering poised to plummet. Instead, it is making a strong recovery from the energy price increases inflicted during the past year and a half.

The economy, in my view, does not need inflationary stimulation imposed by a tax cut. It needs a balanced budget which will get the Government out of financial markets and ease high interest rates to allow productivity growth to create jobs, increase revenues, and make a tax cut possible next year.

REMEMBERING THE ARMENIAN MASSACRE

The SPEAKER pro tempore (Mr. MURTHA). Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 60 minutes.

Mr. DANIELSON. Mr. Speaker, last Friday, April 24, 1981, marked the 66th anniversary of the beginning of the first genocide of the 20th century, the first holocaust. I refer to the infamous Armenian genocide which began shortly after midnight on the morning of April 24, 1915.

At that time agents of the Ottoman Turkish Government commenced that genocide by the sudden rounding up of the leaders of the Armenian community in Turkey as the first step of a planned, vicious, highly organized genocide, which to that time was without precedent in human history.

This is the 11th year in which I have reserved a special order in order to remind the world of the historic facts of the Armenian genocide and to give my colleagues an opportunity to join with me in expressing their remembrance for those events.

This year, because of the Easter recess which resulted in the Congress not being in session on April 24, I am holding this special order on Tuesday, April 28, in order to conform to the congressional schedule. You will remember that today we were honored by the appearance of Archbishop Vatché Hovsepian as our guest chaplain. Archbishop Hovsepian is the primate of the Western Diocese of the Armenian Church in North America with headquarters in Los Angeles, Calif. He made his trip from California today for the express purpose of appearing before us.

There are those who would ask, "Why remind us again of the facts of the Armenian genocide which took place so long ago; this particularly since the events have been gone over by you so many times in the past?"

There are those who would say, "Why bring this matter up again? What can be accomplished, particularly since the facts are so well known and since it seems that repetition will produce no results?"

Well, to them I reply that we will always remember, that we may never forget, the martyrdom of those who were put to death simply because of their religious beliefs and because of the incredible policy of genocide which was conceived and carried out by the Ottoman Turkish Government against those helpless people.

There is probably no Armenian-American family today which did not have one or more members who lost their lives in that first genocide.

Let us remember, Mr. Speaker, that at that time, 66 years ago, there were only about 3 million Armenians alive in the entire world; about 1 million of them, half of all the Armenians then alive, were put to death by cruel and unusual means, by being buried alive, by being trampled to death by charging cavalry horses, by being beheaded and cut apart, by hanging, by being driven out into the desert, there to die of thirst and starvation, by death in whatever form; 1.5 million people, half of that race the first genocide, the first holocaust of the 20th century.

You will remember that His Eminance Archbishop Hovsepian, who prayed for us today, the primate of the church, was here to be our guest chaplain. I know that his own family was gravely touched. His mother was with us today. His mother was one of the surviving victims of the genocide. Her parents, her brothers, and sisters, perished in the genocide. Somehow she escaped. Somehow she was able to get away through the help of friends into Egpyt or some other such place and finally was transported into Lebanon where she found refuge. That is a common story among Armenians. I know, because I represent one of the largest Armenian communities in America.

I can tell you, Mr. Speaker, that there is not a family in that group that did not lose someone, a mother, a father, a brother, a sister, children, someone died, sometimes all of them perished. They will never forget and because of the fact that their descendants here in America have never forgotten, and because now these facts are recorded in history, no one is ever going to forget.

I can only regret one thing. For some incomprehensible reason the present Government of Turkey does not seem to want to make amends. Most of us are old enough to remember the second great genocide of the 20th century, the genocide of the Jews in Hitler's Nazi Germany. While it was terrible beyond description, at least the German Government after the war, those who replaced the evil Hitler, acknowledged the wrong, took whatever steps it could to make amends and have tried to heal this horrible breach in human relations. And the good results are clear for all to see.

On the other hand, the present Turkish Government denies to this day that there ever was such a thing as a genocide. What a ridiculous and untenable position. Our own U.S. Ambassador to Turkey at the time reported to the American people on the details of the genocide and those records are a part of the Archives of the United States today.

□ 1315

They can be found in the Archives of the U.S. Department of State.

The U.S. Ambassador, the Honorable Henry Morgenthau, Sr., of New York, a very distinguished member of a most distinguished American family, wrote a book reflecting those facts which he, as our Ambassador, saw, and which he tried to prevent. Yet for some reason the present Turkish Government does not even admit that these horrible facts of history took place.

That is a grave and offensive mistake which adds grievous insult to the prior crime. In the affairs of man, and under the laws of God, there is always room for repentance and repentance can heal the wounds of human relations even so great as these.

I thank God, I thank the framers of our Constitution for the privilege of free speech, that we have been able to put into the records of this Congress, we have been able to put into the records of the United States for all of the world to know that these facts, the Armenian genocide, did take place and that we shall never forget those who were its victims.

History shows that when Hitler commenced his genocide of the Jews some 40 years ago, 45 years ago, some people protested to him that this was something the world would not tolerate, and history shows that Hitler replied, "Well, who today remembers the Armenians?" That was his justification for going ahead with his genocide, and that is a good reason for us to remember that we must not forget, because it is through forgetting that we permit these things to happen again.

I am most pleased to note that these efforts of the past 11 years have not been in vain. I am happy to report that on last Friday, April 24, 1981, our President, Ronald Reagan, issued Presidential Proclamation 4838 of April 22, 1981, to commemorate days of remembrance of the victims of the holocaust as required by legislation this Congress passed last year.

While that proclamation is directed to the Jewish holocaust carried out under the regime of Adolph Hitler, I am proud to report that President Reagan did include within the proclamation this language:

> Like the genocide of the Armenians before it—and the genocide of the Cambodians which followed it and like too many other such persecutions of too many other peoples—the lessons of the holocaust must never be forgotten.

And so, Mr. Speaker, we will never forget, and the world will never forget, the first genocide of the 20th century, the Armenian genocide of 1915.

Mr. ANNUNZIO. Mr. Speaker, 66 years ago, on April 24, 1915, the Turks set out to exterminate the whole Armenian Christian population within the Ottoman borders.

Systematically, and with cold callousness, the Turks first killed the writers, teachers, clergymen, and leaders of the Armenian people. Then the able-bodied men were brutally murdered and the young women enslaved. The remaining women, children, and old people were forced to march barefooted, under the blazing Sun, without food or water, toward their ultimate destruction in the remote desert of Der-el-Zor.

The Honorable Henry Morgenthau, our country's Ambassador to Turkey when the Armenian massacres took place, was a personal witness to this unprecedented effort to destory an entire peope. At the time he declared:

> Whatever crimes the most perverted instincts of the human mind can devise, and whatever refinements of persecutions and injustice the most debased imagination can conceive, became the daily misfortunes of this devoted people. I am confident that the whole history of the human race contains no such horrible episode as this. The great massacres and persecutions of the past seem almost insignificant when compared to the sufferings of the Armenian race in 1915.

When the carnage was over, more than 1.5 million innocent men, women, and children had been brutally murdered. This past Sunday, April 26, a memorial service was held in Lafayette Park across from the White House in remembrance of these brave martyrs who died in the Armenian genocide. Bishop Mesrob Ashjian, of the Eastern Prelacy of the Armenian Apostolic Church of America, officiated at the service, and I am pleased to include at this point in the RECORD excerpts from the inspirational remarks he made at the memorial service. His remarks follow:

I would like to express my deep and sincere thanks to all of you who associated yourselves this morning in prayers, thoughts and words, with this requiem liturgy and public commemoration. By doing so, you have venerated the Armenian martyrs' sacred memory; and have enhanced our hopes for our future. Because unique in comparison to other holocaust memorials, this liturgy and requiem service not only commemorates the first genocide of the 20th century, but also the heightened awareness and loyalty of the Armenian people who have survived and prospered for 66 years since the aftermath.

We are here today to remember and to rededicate ourselves. We are here to remember the Genocide of 1915. The Genocide . . . the Holocaust . . . I know that these words impose silence; but at the same time demand speech, demand expression! I fully realize that we still have not learned how to talk about the horror of the Genocide. We all know the purpose behind it very well; and the reasons for the perpetration of that most horrendous crime against humanity. However, we should be reminded from time to time of the Genocide's purpose:

Here are the words of Talaat, Turkish Minister of the Interior, in a cable dated September 15, 1915:

"It has recently been communicated that the government, following the order of the Committee, has decided to exterminate all the Armenians living in Turkey . . . It is necessary to put an end to their existence without regard to women, children and invalids, however tragic the means of extermination."

But even so, Armenians live! Armenians survive! Armenia lives! And a people who refused to die, lives on! Out of the ashes of a three year long holocaust, the free and independent Armenia was born. The Armenians built scores of monuments in memory of the martyrs, but the most vital memorial is not in Montebello, in Montevideo, in Marseilles, but in Armenia. Armenia herself is the living, thriving memorial for all our martyrs; and the beacon for the rosy future.

But here we are: The other half of Armenia in the Diaspora. We are scattered all over the world. In sixty countries, sharing sixty different fates. Yet we reject that fate; we reject the Diaspora as our tomb. We cling tenaciously to our claims, fully realizing that we constitute the very essence of the Armenian entity. We vow to rediscover our common language, to recreate our common religion and to reclaim our common culture, awaiting the day when all our lands will be ours once more, because we firmly believe, that a particular culture flourishes best on its land!

Now we are told that a people has no right to claim a particular land as its own. No law exists that binds a people to a specific land. It is solely our consciousness of an Armenian selfhood that gives us the right to claim our ancestral lands. Locations and places do not retain the memory of passing events; but rather, it is the spirit that remembers these things. Since history lives on only in the mind, then it is the mind that finally creates the place, the land, the nation.

The first Roman soldier who viewed the bodies of 960 warriors who committed mass suicide in Masada to avoid being taken as slaves, had apparently understood this concept, when he exclaimed, "The rock and men have become one." It is our belief that the land of Armenia, from Vartan to Tavit Beg, from Antranig to the heroes of Sardarabad, have become one with its people. This land of rocks, and all its men, have indeed become one. We are moved to look to our land as belonging to us; we are moved to claim her always.

But here, we find ourselves in the Diaspora; and in our lives bear the consequences of the Armenian massacres. The injustice committed against our nation remains unpunished. We have responsibilities that we can not shun. We must see to it that never again such a crime be committed against any nation. But we Armenians are not separate from other peoples. We Armenians are also part of God's creation. We share the one and the same human destiny. Therefore, it is our responsibility to look around us and to be sympathetic to the plight of any other nation to the suffering of any other people.

Massacres? Our own time is full of stories of atrocities: Uganda, Biafra, the Khmer Rouge, Equatorial Guyana, East Timor, El Salvador, Lebanon, the boat-people in the China Sea. And here we observe our own people who appear so uninformed, so indifferent; as though there were two humanities. We, with the memory of our lives, of our suffering; and they with theirs. We watch television, and, between commercials we see the sad images of human horror and suffering; and say, "too bad." Should we not be observing all this with different eyes, perhaps with fuller hearts? These people are not strangers to us after all. The vivid reality is not in our peaceful homes, but over there, where men are still being tortured and massacred.

It is about time to understand that there are not two humanities, but one, and that we are part of it. Last April, the then Assistant Secretary of State for East Asian and Pacific affairs, Richard Holbrooke, was congratulating himself for the fact that there isn't a single nation facing extinction, except . . . Cambodia. The columnist of the New York Times who was quoting him commented, "None of us would want to face the question: where were you when Cambodia died?"

We Armenians have the right to ask, "Where were you when Armenia was dying?" But this fact does not give us the right to play the role of Pontius Pilate, to wash our hands of the matter, and to say, "Who cares, anyway. Who cared for us that we should be compelled to care for others? Let them die."

We, as Christians, have the responsibility of fighting justice and oppression whenever and wherever its occurs. As Christians we have the moral responsibility to be committed to action to insure justice, peace and freedom for all people. The Genocide of our own people makes it imperative for us to commit ourselves to the infusion of the values of love and compassion into the powers and principalities of all governments. If we were allowed to paraphrase the late Jean Paul Sartre's famous words addressed to a gathering of intellectuals, we would say, "The task of the Christian is not to decide where there are battles but to join them wherever and whenever the people wage them. Commitment is an act, not a word."

Commitment is an act, not a word. And we, the Armenians, especially living in our Diaspora situation, should be ready for this: to commit ourselves and to act: to keep the spirit of the Armenian alive, to learn our language, to be in communication with the saints of our church, the heroes of our nation. Be faithful to the tradition, to the history, to the very blood. And never to forget! But to remember always; so that never again a holocaust similar to the Armenian massacres would ever happen. Remember and look around us; help people who fight for human rights, for human dignity.

Avedis Aharonian, the renowned Armenian poet says, "If this much blood can be forgiven by our children, let the whole world rightfully insult us all . . ." There comes a time for forgiving, for who can live and not forget? Now and then, however, we should always remember and proclaim:

In the presence of eyes
Which witnessed the slaughter,
Which saw the oppression
the heart could not bear,
and as witness the heart
that once taught compassion
until the days came to pass
that crushed human feeling,
I have taken an oath:
To remember it all
To remember, not once to forget.

Mr. Speaker, a just solution for the Armenian grievance must be achieved, for to ignore the injustice done to them will only encourage others in such lawless and inhuman crimes. It is the hope of Armenians everywhere that the United Nations will take decisive action to provide a peaceful redress for their legitimate grievance.

As Members of Congress, let each of us examine our conscience and let us do our utmost to alleviate the memory of this unjustified crime against the Armenian people, the scars of which are carried in the hearts and minds of every surviving Armenian.

● Mr. HOWARD. Mr. Speaker, with pervasive remorse and a burning desire to be heard, Armenians in the United States and throughout the world commemorate on April 24 the wholesale slaughter of 1.5 million of their people by the forces of the Ottoman Empire in 1915. It is essential that a candid world note the occurrence of this odious tragedy, and remember with opprobrium the atrocious conduct of the malefactors in question. Persecuted mainly for their Christian fervor and implacable resistance to religious oppression, the Armenians of the Empire were subject to mass butchering until 1922, resulting in horrific total losses of over 2.5 million souls.

Mr. Speaker, I ask that my colleagues afford these persecuted millions the honor and prayers they deserve, and appeal to the conscience of the Turkish nation to take note of this repugnant and grossly inhumane chapter in their 20th-century history.●

● Mr. BOLAND. Mr. Speaker, 66 years ago this month the world witnessed the first planned genocide of the 20th century.

The tragic and brutal events that began on April 24, 1915, in historic Armenia and other parts of the Ottoman Empire decimated the Armenian people. More than 2 million Armenian men, women, and children either lost their lives or were deported by an Ottoman Turkish Government bent on destroying the Armenian nation and any trace of the Armenian civilization. By the middle of 1916, the Armenian population of Turkey had quite literally ceased to exist, their ancestral lands had been taken, and a few thousand survivors had been scattered over the face of the Earth.

The Armenian tragedy would have been an unspeakable horror even if it had been the only act of genocide to disgrace the world's history in this century. As we know only too well, however, the Armenian genocide, and the silence with which it was greeted by other nations, only served as a precursor of similar events in Nazi Germany, the Soviet Union, Uganda, and Cambodia. One of the best ways to prevent future acts such as these is to make sure that the record which describes them is accurate and well publicized. It is therefore indeed unfortunate that in spite of the weight of evidence which has been compiled concerning the Armenian genocide, no Turkish Government since 1915 has acknowledged the role of its predecessors in those events. Without such an acknowledgement, in my judgment, no real progress on the resolution of the issues which divide Armenians and Turks will even be possible.

The commemoration of Armenian Martyrs Day provides an opportunity to reflect on some of the consequences of unchecked racial or religious hatred. It also, however, provides an opportunity to reflect on the special qualities of the Armenian people. Through tenacity, persistence, dedication, and hard work, the Armenian people have rebuilt their race. No group can surpass the record of the Armenians for triumph in the face of adversity. Eloquent testaments of the Armenian heritage can be seen in every community in this Nation and others, in which Armenians have settled. It is a heritage of which Armenians have every right to be proud.●

● Mr. HOLLENBECK. Mr. Speaker, I rise to join my colleagues in recognizing the 66th anniversary of the genocide carried out against over 2 million Armenians by the Turks. Each year we should pause and reflect on the tragic and brutal events that began on April 24, 1915. On this day, the intellectual and spiritual leaders of the Armenian community were arrested and later sent into exile that most were destined not to survive.

With the removal of these leaders, a massive program for uprooting and deporting nearly all of the 2 million Armenians in Turkey began. Over the next year more than 1 million Armenians lost their lives either at the hands of the Turks and Kurds, or through famine in exile. In addition, reports indicated that several hundred thousand Armenian women and children were sold into slavery. Only a small fraction of the Armenian population survived by emigrating to other countries. As a result, the first planned genocide of the 20th century nearly exterminated the Armenian population in Turkey.

On April 24 of each year we are provided with an opportunity to deplore man's inhumanity to man and to reflect on the strength of the Armenian people who, despite all odds, have maintained their identity. The Armenian people have demonstrated throughout history their fortitude, stamina, and tenacity in maintaining their culture, church, and language. I believe that the existence of this spirit is the foundation that will lead to the ultimate restoration of a free Armenian nation.

In recalling the severe injustices suffered by the Armenian people, we remind ourselves that crimes of this nature must never be repeated and pledge to remain vigilant in opposing all such atrocities.●

● Mr. FRANK. Mr. Speaker, I join my colleagues today in commemorating the Armenian genocide. Sixty-six years ago, a million and a half Armenian men, women, and children were senselessly massacred.

I deplore the brutal killings that took place and extend my heartfelt sense of remorse to the survivors. Today, we pause for a moment to contemplate the inhumanity of this tragedy, and to rededicate ourselves to a future free of needless deaths. Mr. Speaker, it is my hope that through continued recognition of the genocide of 1915 we can affirm that those who perished did not die in vain.

I commend the gentleman from California (Mr. DANIELSON) for arranging this special order.●

● Mr. DERWINSKI. Mr. Speaker, I appreciate the opportunity to join with my colleagues in drawing special recognition to the 66th anniversary of the first deliberate genocide in the 20th century—the savage slaughter of the Armenian people by the Ottoman Turkish Empire in 1915. By recalling this tragic event, we affirm anew our resolve to prevent such brutalities from occurring in the future. We should also recognize the commitment of the Armenian people throughout the world to the cause of justice and human rights and the terrible price they have paid in pursuit of these principles.

This instance remains one of the most shocking and deplorable acts ever perpetrated by one people against another. However, this historic event not only threatened the Armenian people with extinction which was the goal of the tyrants of the Ottoman Government; but also produced an unfortunate precedent, that of world inaction.

Traditionally, Armenian Americans and their kin throughout the world have observed April 24 as a day of mourning. It was on the night of that day 65 years ago that 200 intellectuals, community leaders, and prominent citizens of the Armenian community were herded into the desert and executed. This event marked the beginning of the Ottoman Empire's systematic plan to exterminate the whole Armenian Christian population within its borders.

Over the next 3 years, 1915 to 1918, some 2 million Armenians were massacred. The entire population was uprooted from their ancestral homeland in what is now the eastern region of Turkey. The able-bodied men were murdered, and the remaining women, children, and elderly were forced to leave their belongings and march to the remote deserts of Der-el-Zor. Along the way, these helpless people were subjected to torture, rape, and slaughter by roving bands of Ottoman soldiers. Any survivors of these brutalities died from exhaustion, starvation, and disease.

Beyond the brutal deportations and heinous murders, the Ottoman Government attempted to obliterate all traces of the 3,000-year-old Armenian civilization. Libraries, churches, and schools were destroyed. Books, paintings, and irreplaceable historical treasures were burned. Every possible attempt was made to wipe out any trace of the Armenian people who are perhaps the oldest of the civilized races in western Asia and were the first nation in the world to accept Christianity as its state religion.

Nevertheless, despite the odious crimes of the Ottoman Government, the Armenian people survived. In 1918, through the efforts of President Woodrow Wilson, the boundaries for a free and independent Armenia were established. The little republic was formally recognized by the United States. However, weakened and demoralized by the genocide, the Republic of Armenia fell 2 years later—this time to the Soviet Union. Today, the historic Armenian area, in what is now Turkey, is totally devoid of Armenian people, while the Soviet Union holds the Armenian people captive in the area known as Soviet Armenia.

Today, there are tens of thousands of Americans of Armenian descent living in the United States, upholding the principles of liberty and justice we all cherish so dearly. But the scars of the crimes committed against their ancestors still remain.

The Armenian people have demonstrated, throughout history, their fortitude, stamina, and tenacity in maintaining their church, culture, and language. The existence today of the Armenian spirit is the foundation that will lead to the ultimate restoration of a free Armenian nation.

In remembering the severe injustices suffered by the Armenian people, we remind ourselves that crimes of this kind must not be repeated, and pledge to remain vigilant in opposing all such atrocities.●

● Mr. WAXMAN. Mr. Speaker, April 24 was the 66th anniversary of one of the most horrendous crimes against humanity. Every year on this day we recognize the beginning of the Ottoman Turkish Government's annihilation of 1.5 million Armenians between 1915 and 1918. It was the first genocide of the 20th century, and set the precedent for the destruction of European Jewery and other ethnic minorities by Adolph Hitler.

Even as we are preoccupied with the affairs of the present, it is important that we reflect upon the events of the past, for such tragedies can only be prevented in the future if they are remembered.

In early 1915 the Ottoman Turkish Government perpetrated the senseless killing of over 1,500,000 Armenian people. They began by rounding up, arresting, and then exterminating 200 leaders of the Armenian community. In the years that followed, more than half of the entire Armenian population suffered the same fate. All who remained, including women, children, and the elderly, were deported to the remote deserts of Der-el-Zor. They were forced to travel in the wilderness without any provisions, eventually dying, one by one, from starvation, exposure, disease, or from sheer physical exhaustion. Hundreds of thousands of innocent people were heartlessly murdered, simply because of their ethnic heritage.

Virtually every Armenian lives with the memory of the loved ones that were slaughtered. The scars of that evil will forever be within the minds of the survivors, who are residing in areas throughout the world. Over 500,000 Armenian people live here in the United States of America. They have transcended the past, and have become leaders of their communities. It is these people that we honor today, and it is to their relatives and friends that we pay tribute.

It was the world community's ignorance of the Armenian genocide in the early part of this century, and our inability to learn from past experience, that forced us to become witnesses to a series of crimes throughout the century—Hitler's Germany, Amin's Uganda, Pol Pot's Cambodia, and more.

The 66th anniversary of the Armenian genocide of 1915 affords us the opportunity to reaffirm our commitment to justice and human rights—to renew our commitment to prevent such brutalities from occurring in the future. But to speak of such a firm commitment is meaningless unless we are sincerely determined not to ignore the tragic events that still occur with such regularity in so many countries of the world. Only when our pursuit of justice and human rights is evident in our deeds, and not merely in our words, will we and the survivors of genocide—whether they be Armenians, Jews, Ugandans, or Cambodians—be satisfied that their friends, relatives, and fellow men did not die in vain.●

● Mr. MICHEL. Mr. Speaker, one of the most chilling and coldblooded sentences ever uttered in this century was said by Adolf Hitler as he prepared his campaign of genocide against European Jewry. Asked if world opinion would not be against him, he replied, "Who still talks nowadays about the extermination of the Armenians?"

Hitler was unfortunately correct in his assessment of Western civilization's inability—or unwillingness—to remember the first genocide of this century. April 24 marks the 66th anniversary of the planned and systematic massacre of Armenians of the Ottoman Turkish Empire.

This is how the Encyclopedia Britannica describes that terrible moment in world history:

> The greatest single disaster in the history of the Armenians came with the outbreak of World War I. In 1915 the Young Turk government, regarding the Turkish Armenians, despite pledges of loyalty, as a dangerous foreign element with friends among the enemies who had launched the Dardanelles campaign and with cousins in the Russian army on their eastern front, resolved to deport the whole Armenian population of about 1,750,000 to Syria and Mesopotamia.
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> The chances of survival in these ill-prepared desert regions were slight: it was a death sentence, a "final solution" that Adolf Hitler was to emulate consciously in Germany.

This summary does not, of course, even hint at the documented atrocities committed against innocent human beings during this extermination. "Starving Armenians" became a phrase that was on everyone's lips for a few years. But, as Hitler later pointed out, people forget. The attempt to eliminate the entire Armenian population of Turkey was forgotten. Hitler was betting on the same kind of historic amnesia, brought about by ignorance and laziness, when he went about his own campaign of calculated slaughter of innocent civilians against the Jews and the Poles and others.

Today the ideological fanaticism that led to the slaughter of the Armenians and the Jews still exists in the world. Ask the Cambodians; and the boat people; ask the survivors of the Soviet gulag.

We owe it not only to the memory of the Armenians but to our children and to their children to make certain we never forget that such things have happened, and that such things can happen again unless we are vigilant.●

● Mr. COELHO. Mr. Speaker, I thank my distinguished colleague, Mr. DANIELSON, who has been so kind as to help commemorate this event. I would like to share with my colleagues my remarks which were made at a concert in Fresno, commemorating Armenian Martyrs Day, on Friday, April 24:

> It is certainly not a pleasant task to be called upon to recall the Armenian Massacre. As we remember that dark day on April 24, 1915, when the first intellectuals, community leaders, and prominent citizens of the Armenian community were brutally executed; which marked the beginning of one of the world's first and most devastating genocides—when some 2 million Armenians were driven from their homeland and massacred by the ruthless Turkish Ottoman regime. We all know the tragic details of the slaughter of over half the Armenian people—the oldest of the world's civilized people in Western Asia and the first nation in the world to accept Christianity as its religion. Yet strange as it sound, there is something to celebrate out of this horrendous deed of some sixty-six years ago.
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> The simple fact that the Armenian spirit still lives and provides such a strong foundation for its people is amazing, and truly worthy of celebration and commendation from the other free peoples of the world. A lesser people would long since have given up all hope and their National identity would have been lost. However, despite their terrible deprivation, suffering, persecution, and injustice, the Armenian people have endured, and retained their historical identity, Christian faith, their courage, their culture, and their honorable traditions. This occasion, Armenian Martyrs Day, which we are commemorating today, provides us the opportunity to mourn the loss of those before us, and to deplore man's inhumanity to man, and it provides us the opportunity to praise the strength and courage of the Armenian people who have surmounted the most grave difficulties to preserve their identity.
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> As most of you probably know, I am Portuguese. My ancestors like many of yours, came to the United States many years ago to begin a new life. Yet my parents and grandparents, like yours and those of many other ethnic groups who settled here, realized the importance of instilling in us a sense of our cultural, historical, and religious identity to preserve the heritage of their native land. My Congressional District is made up almost entirely of dozens of ethnic groups whose roots are spread all over the world. In light of this fact, I am particularly appreciative of the fine example which the Armenian community has set for other ethnic groups—being a full participant in the community—and at the same time retaining for their children and grandchildren those things which are unique to their culture. For this I applaud them.
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> This year marks the Centennial Celebration of the first Armenian settlers in Fresno, California. I think this would be a good time to recognize the great contribution of the Armenian Community to Fresno and the surrounding communities. Armenians have always been honest, industrious, cooperative, good neighbors and citizens in this community. Armenians are prominent business, civic, professional, and educational leaders; artists, entertainers, and farmers. A list of the leaders of virtually any field will include many, many individuals of Arme-

nian heritage. The Armenian settlers in Central California were among the first to till the soil, irrigate the land, and are in large part responsible for the development of this fertile region.

In closing, let me say that the successes of the survivors and descendants of the Armenian holocaust, and the culture and heritage of the "Armenian Spirit" which still lives, stands as a living memorial to all of those who lost their lives some sixty-six years ago.●

● Ms. FIEDLER. Mr. Speaker, genocide forgotten is genocide condoned. That we speak today in reverent and respectful memory of the suffering of the Armenian people is important. It is important to show that no deed so horrible as the Turkish genocide of Armenians in 1915 shall ever fade from the collective memory of civilized men and women. If we forget, we have ourselves completed the tyrant's task.

I feel strongly that to remember the Armenians, the first victims of 20th-century genocide, is also to remember the millions who suffered in the holocaust of a generation later. The most lasting shrine to any of the victims of genocide is to remember all of the victims of genocide, and to tell the world what happened, so that it may never happen again, to any people.

If we are looking for a date to give to the start of the modern age, the age of genocide, the age of hatred, then the night of April 24, 1915, seems fitting. The sheer enormity of what happended to the Armenian people, starting on that night, should not make those tragic events less immediate to us; 1915 was not a long time ago, life was much as it was today. But from 1915 on, genocide has snaked its way through human history. It did not stop at Auschwitz, nor in Kampuchea. The world is still far from cleansed from the obscene horror that claimed 1½ million Armenians, 6 million Jews, or 3 million Cambodians. Words by themselves may be weak shields against tyranny, but today we must show by our words that what happened in Armenia must never be forgotten, as much as the holocaust must never be forgotten.

No genocide could kill the spirit of the Armenian people. Proud, independent, and creative, 6 million Armenians are now scattered throughout the world, nearly 500,000 of them in the United States. Their spiritual homeland—Armenia—is not marked on the map, for it remains divided between Turkey and the Soviet Union. Yet Armenia still lives in the hearts and the souls of Armenia and stands for us all as both a beacon and a warning. It stands for all those who believe in the dignity and worth of human life, in the richness and diversity of human culture, for freedom and hope and ideas that do not die as people die. It stands for the ultimate futility of the tyrants and their creed of death and hatred. Long and terrible though the list of the slain may be, genocide could no more destroy the Armenian people than it could the Jewish people.

To those Armenians who survived and their families, we today say that their sufferings are remembered, as are all those who did not survive. To the rest of us, let us remind ourselves that we, too, must remember.●

● Mr. BENJAMIN. Mr. Speaker, Armenians throughout the world observed a solemn and tragic moment in their history on April 24—the 66th anniversary of the Armenian Holocaust of 1915-17. Agents of the Ottoman Turkish Empire commenced the systematic massacre of more than 1,500,000 Armenian people on that regrettable day.

In the early morning hours 200 leaders of the Armenian community in Constantinople were taken from their homes, arrested, and put to death. During the next 2 years, hundreds of thousands of Armenians were either killed or deported in an attempt by the Ottoman Turks to find a lasting solution to the "Armenian Question."

There are few Armenian families that did not lose at least one of their loved ones during this genocidal campaign. This memorial day still captures the unimaginable horror permeating the minds of those who only wanted freedom and identity but lost both at the whim of the Ottomans. The concept of genocide is not fathomable to most Americans, but to the Armenian people living in this country and around the world, it is a horror never to be forgotten.

The United States has historically attempted to work out a solution to the Armenian Question only to see these attempts foiled by a want to forget. But the Armenian Question still exists and the Ottoman genocide remains as a reminder to the free world that genocide is not the answer.

Attempts are still made to deny the Armenian people their human rights to exist culturally and politically. America must provide the moral leadership to defend the Armenian people's right to self-determination by persuading a cooperative settlement to the issues. As champion of the free world, the United States must vigorously urge justice under international law.

Lasting solutions can only come from peaceful deliberations, not by shedding blood.

Forgetting that this type of mass killing baptized the 20th century may not have directly been responsible for what happened to our Jewish brethren who were genocidal victims of World War II, but the statement by Adolf Hitler as to "Who remembered the Armenians," in both cases does cause concern. We cannot live on as if nothing happened.

I urge my colleagues to join me in commemoration of this solemn occasion with a new understanding of the lessons of history to assure a permanent end of the denial of self-determination. Hopefully, Mr. Speaker, the blood of the Armenian martyrs has not been shed in vain.●

● Mr. PASHAYAN. Mr. Speaker, I thank my distinguished colleague from California (Mr. DANIELSON) for giving me this opportunity to comment on an event in history that is indelibly imprinted in the memories of the Armenian people, both in this Nation and the world.

Each year on April 24 the Armenian people observe Armenian Martyrs Day in recognition of the dignity and rights of every human being.

In particular they and all people remember the genocide of 1½ million people between 1915 and 1918 that began with the arrest and murder of Armenian community leaders and members of the national parliament. It forced uprooting of families and set into motion an exodus from an ancestral homeland.

History has recorded most vividly that the Ottoman Turkish Empire had planned the elimination of the Armenian people, and the implementation of that plan and others which followed are those which all people must forever guard against. Indeed, this Armenian Martyrs Day, and all that follow, must and will serve as a reminder to all governments that man's inhumanity to man must cease forever.●

● Mr. MOAKLEY. Mr. Speaker, I join with my colleagues today to commemorate the Armenian genocides of 1915, but also to celebrate the continued strength and vitality of the Armenian people.

Nearly 2 million Armenians were martyred by the ruthless Ottoman Turks during and following World War I in the first ever attempt to exterminate a people of the human race. The world's first genocide almost succeeded, for it left less than one-quarter of the entire Armenian population living. Hundreds of individuals at a time were systematically and brutally murdered, merely for being Armenians. Those who escaped death were forced to flee their homeland and separated from family and friends. The Armenians became few and scattered, yet never giving up hope that their persecutors would be punished for their atrocious crime.

Today the Armenian people remain scattered around the globe, still hoping that someday justice might be delivered for their great suffering. Today the Members of this great House ask that the Armenians receive justice, and their grievances be brought before the General Assembly of the United Nations for resolution and redress. We also ask that the Presidential Commission on the Holocaust recognize the historical precedent set by the Armenian genocide and study the Armenian genocide as a powerful reminder of the horror and terrible evil of such a crime unpunished.

It is heartwarming to see such a strong show of support for a people so victimized. I believe our efforts today reflect the respect and friendship we all have for Armenian Americans and Armenians abroad. There is no other people so deserving of justice and no other people so denied. I am proud to be associated with the continuing determination the Armenian people have shown to right one of the world's greatest wrongs. We must all unite against the evil of genocide and assure its banishment from the annals of the future.●

GENERAL LEAVE

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks with respect to the subject matter of this special order.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from California?

There was no objection.

BENJAMIN BOGOMOLNY: THE EIGHTH YEAR ANNIVERSARY OF A SOVIET REFUSENIK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WILLIAM J. COYNE) is recognized for 15 minutes.

● Mr. WILLIAM J. COYNE. Mr. Speaker, the month of April marks the eighth year since Benjamin Bogomolny was first refused a visa by the Soviet Union. He is one of the longest term Soviet refuseniks on record in Russia.

In 1966, the Bogomolny family received affidavits to emigrate to Israel. His mother, father, and four sisters were given permission and forced to leave the Soviet Union, while Mr. Bogomolny was drafted in the army. Completing his service in the army, Benjamin Bogomolny applied in November 1972, for permission to emigrate. His application was denied in April 1973, on the grounds that he may have learned state secrets while in the army and that he constituted a threat to national security.

Benjamin Bogomolny has been under constant harassment since he first sought a visa. His telephone has been disconnected, his apartment ransacked, Hebrew books stolen, and his life threatened during this period. The Soviet police have made no attempt to investigate his complaints.

An example of this treatment was reported in the May 1975 Jerusalem Post. It was stated that he was a victim of a minipogrom as the KGB stepped up its campaign to crush the Jewish activists in the Soviet Union. The paper wrote that he was manhandled by two drunks. Returning home later, he found the same two drunks, now fully sober, and 12 other men wielding clubs and shovels and breaking things in his apartment. Benjamin Bogomolny, whom the men threatened to hang, escaped through a back window and immediately complained to the police. On visiting the police precinct the following day, he discovered that there was no record of his complaint. The police denied any knowledge of the incident. In addition, the Jerusalem Post reported that a student who rents a room from Mr. Bogomolny was warned by the police that he should not sublet a room from a man who wished to emigrate.

The treatment of Mr. Bogomolny is appalling. There is no reason why he has been restricted from leaving the Soviet Union these last 8 years. The actions of the Soviet Union are in direct violation of the Helsinki accords. I urge the Soviet Union to allow Mr. Bogomolny and his wife, Tatina, permission to join his parents and four sisters who have been anxiously waiting 11 long years to see each other.●

BEYOND REAGANOMICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 20 minutes.

● Mr. REUSS. Mr. Speaker, on April 22, 1981, I gave a talk at Loyola University, Los Angeles, on "Beyond Reaganomics." The text of my remarks follows:

The administration's economic program consists of supertight money; a fiscal 1982 expenditure cut of around $50 billion, in which military increases are offset by cuts in the social budget; and a $148 billion a year income tax reduction when fully effective in 1984, heavily weighted toward personal income tax cuts for the affluent.

Is the program equitable? Will it work? Is there an alternative?

Neither the proposed budget cuts nor the proposed tax cuts are equitable.

No doubt, cuts in budgetary expenditures are needed. They are needed because the mandate of the November, 1980 election is quite clear: cut expenditures, reduce the present federal take of some 23 percent of gross national product.

Budget cuts are desirable, too, because of the need to get the deficit under control. Only a budget deficit which is under control can eliminate the Treasury's need to borrow heavily to meet the deficit. With a lowered deficit, the Nation's savings could get through to the needed ultimate investment in plant and equipment.

So the question is not whether there should be budgetary retrenchment. The question, rather, is on whom the burden should fall. And here, even a cursory look at the Reagan budget shows that a disproportionate part of the cuts falls upon those in the dawn of life, the children; those in the twilight of life, the elderly; and those in the shadows of life, the disadvantaged, the handicapped, and the poor.

Health programs are ruthlessly cut. Medicaid is slashed $1.2 billion, which means not only less medical care for the needy but a greater burden thrust upon state and local governments whose principal fiscal reliance is on regressive taxes like the real estate tax on the homeowner. The $78 million pneumonia immunization program for the elderly is completely abandoned. The 91 Vietnam Veterans Outreach Centers, providing psychological, drug, and alcoholic help for Vietnam veterans, are to be abandoned. Nutrition programs, such as food stamps and school lunches, are severely curtailed.

Likewise hard hit are programs to make jobs. The CETA program, which was scheduled to provide jobs for 500,000 men and women, mostly young, by next October 1, is to be entirely phased out. Useful programs such as security guards for senior citizens, and volunteer helpers for private charities such as Goodwill Industries, will be seen no more. Likewise sharply curtailed are programs of economic and neighborhood development and providing infrastructure for America's industries and cities—roads, bridges, ports, railroads, utilities.

Primary and secondary school education aids are to be cut 22 percent.

Neighborhoods, the crowning glory of the Reagan program, are to be abandoned. Completely repealed would be the section 312 home rehabilitation program, under which moderate-income families have been getting reasonable interest loans with which to upgrade their homes. The Cooperative Bank, which provides capital for neighborhood efforts in food, pharmaceuticals, health, and housing, is to be terminated. Maintenance funds to repair the leaky roofs of public housing are curtailed, and public housing tenants have their rent raised from 25 percent of their income to 30 percent. The Legal Services Corporation, which has provided help for so many of the storm-tossed who cannot afford a private lawyer, is to be ended. Mass transit is drastically curtailed.

All these cuts could have saved some $50 billion, and I have no quarrel with the idea of a $50 billion deficit-narrowing measure. But it would have been entirely possible to save that same $50 billion without shortchanging really needy people, and without eviscerating programs which foster economic development. For example, billions could have been saved by cutting down the federal tax deduction subsidy for interest paid on vacation homes, sometimes the third and fourth such home; and on interest paid, largely by the top one-fifth of income receivers, on loans to carry consumer purchases. In addition to putting needed funds into the budget-balancing column, such measures would at least partially remove an incentive which now induces people to overconsume, and thus have fewer savings to make available for productivity-enhancing, inflationary-fighting industrial plant and equipment.

Huge savings could also have been achieved by doing something about tax-exempt industrial revenue bonds for unnecessary shopping centers (and in some cases porno bookstores); uneconomic power projects like Clinch River in Tennessee, or Corps of Engineers and Bureau of Reclamation water projects, bonanzas to the oil industry such as the depletion allowance, which make no sense in a world where oil brings $40 a barrel.

But, equity aside, will the program work? Will it produce the victory over unemployment and inflation and budget deficits which Reaganomics proclaims it will?

Faith over and beyond the call of duty is required to make one believe that it will. The theory is that the super-tight money will fight inflation, and the super-heavy tax cut will stimulate growth. Much more likely, the tight money and high interest rates will retard growth, increase unemployment, and bring about bankruptcies. And the tax cut will simply stimulate higher interest rates.

If patterns in the current inflationary period are projected, only about 5 percent of the total reduction will be saved by the beneficiaries of the reduction, with the other 95 percent, as a present, spent. Indeed, since much of it will be spent by the wealthy, it is likely to be spent on expensive imported consumer goods ranging from Mercedes's to claret, thus worsening our trade balance and the international dollar, and, in the next round, inflation. Moreover, even the little bit theoretically "saved" from current consumption may in today's inflation be spent by speculating in corporate takeovers or in commodities, such as Bunker Hunt and his billion-dollar silver manipulations.

The Administration projects the 1984 workout of its policies as producing a balanced budget, and inflation, unemployment, and interest rates all hovering around the 6 percent level. The Administration disdains econometric studies, and derived its euphoric results, largely by hoping, or guessing, that everyone would conclude from the Reagan program that hard times were over, businessmen should reduce their prices, labor lower its wages, and banks make available their money for lower interest rates.

A number of economic forecasters who still hold the view that logical prediction is possible—among them the Congressional Budget Office, Data Resources, The Wharton School, and Chase Econometrics—come up with vastly gloomier 1984 scenarios. But these economic think-tanks, in programming their computers, all assumed that the Reagan program in all its brute severity would not actually be carried out. Hence, they softened the assumptions. The Federal Reserve would actually not keep money as tight as the Administration is ordaining. Congress would not, by its spending and taxing measures, allow the kind of budget deficits that Reagan arithmetic postulates.

So all of these projections fail to take Reaganomics at its word, however forbidding the word might be. So I asked the Joint Economic Committee staff to put into the computer the Reagan program, without "improving" a line of it.

And out came the result: unemployment no better than today; inflation down to 8 percent but "underlying" inflation—the general trend of wage rates—still at its present 9 percent-plus level; and a budget deficit of $111 billion, the greatest in history, rather than a budget in balance. What would be happening, the computers were telling us, was that the reductions in social spending would be more than outweighed by the increases in military spending and the reductions in income tax revenue. The added deficits, coupled with a very stringent monetary policy, would bring about high interest rates and slow growth. These in turn would further increase the deficit.

In short, the Republicans, far from learning by the mistakes of the Democrats, seem doomed to repeat them. In 1967 the Democratic administration combined guns and butter—guns for a major war in Vietnam, butter for a whole gamut of new social programs; and the result was years of stagflation. Now, fourteen years later, along come the Republicans and want to repeat the same mistake—guns for the greatest peacetime increase in military spending in history, and butter in the form of outsized tax reductions for the affluent, with a resulting renewed bout of stagflation and budgetary deficits.

A particularly unfortunate element in Reaganomics is what it will do to income distribution.

It is too much perhaps to hope for the moment that America can achieve a fairer income distribution, a diminution of the gap between rich and poor, and a closer approximation to the situation which prevails in countries like Germany and Japan.

But income distribution in the United States has been getting worse for the last 15 years, and now is certainly no time to accelerate the worsening. During 1965-1978, the share in the national income earned by the lowest quintile of American families, the poor, remained about even, but only because of the tremendous increase in transfer payments such as health, welfare, education, food and housing benefits. As to the second and third quintiles—those making $10,000-20,000 a year and $20,000-30,000 a year today, respectively—they definitely lost. Their share of the national income declined from 28 percent to 26 percent. The fourth quintile, those in the $30,000-40,000 bracket, just about kept even. And the top quintile, not surprisingly, absorbed what the lower-middle income second and third quintiles were losing; it raised its share of the national income from 42 percent to 44 percent—a total of many billions of dollars.

Under Reaganomics, the people in the lowest 60 percent are going to lose more. The poor will have their transfer payments shorn. The second and third quintiles don't have those transfer payments to lose, but they will get piddling income tax cut benefits—the reductions from Kemp-Roth will be swallowed by the increases in the payroll tax and in inflationary bracket creep. Being borrowers rather than lenders, they will be hurt by a perpetual high interest rate regime. And the tax loopholes that gladden the hearts of the upper income brackets—itemized deductions, oil and real estate shelters, investment credits—are simply not available to them.

The top ten percent of American families will profit mightily from Reaganomics, with the lowest 60 percent taking it on the chin. This does not sound like a good way to keep up the demand necessary to take off the market what the economy can produce, and thus avoid a recession. Nor does it seem a good way to make for social peace, either in the central city or in the lower middle-class suburbs.

The view that Reaganomics is not likely to work is not held just by Congressional Democrats. Reaganomics is also viewed with some private skepticism by a good many Congressional Republicans, ranging from those on the moderate wing who see super-tight money as a real barrier to the necessary growth, to those on the conservative wing, like the three conservative Republican Senators who outraged the White house by voting against the budget on the Senate Budget Committee just before the April recess, who fear, with considerable reason, a huge Reagan budget deficit down the road. And many a market letter from many a respectable Wall Street firm nowadays is pointing out that the markets are not exactly prophesying success for Reaganomics, as indicated by the fact that long-term interest rates, auguries of inflation, have been steadily rising since the inaugural.

The President in his State of the Economy address on February 18 asked anybody with a better alternative to step forward and present it. Very recently, the Democrats, led by Chairman Jones of the House Budget Committee and Chairman Rostenkowski of the House Ways and Means Committee, have done just that. Mr. Jones proposes a slightly gentler hand on social program budget cuts than Mr. Reagan—somewhat on the order of 10 percent rather than 25 percent cuts for economic development, mass transit, food stamps, school lunches, legal aid, and so on. By cracking down on military "waste", and by mandating a somewhat smaller tax cut, Mr. Jones is also able to reduce the 1982 Reagan budget deficit of $40 billion to $25 billion. Mr. Rostenkowski would cut 1982 taxes by only $40 billion, rather than by Mr. Reagan's $52 billion, and would shift the benefits very modestly from those at the top of the income scale to those in the middle.

The Democratic alternative represents, as does the Democratic Party nowadays, a pale and somewhat more human imitation of the Republican program—a little tougher on fatcats, a little easier on thincats, and a bit more responsible about the deficit. In short, an improvement, if hardly a call to the barricades.

While the two great parties of the middle square off on the minutia of macroeconomics, nothing much is being done about the structural problems of our economy. Yet it is in improving our economic structure that the game will be won or lost. For even the most admirable monetary and fiscal policies are insufficient to bring both steady jobs and stable prices at the same time.

The structural aspects of cost-push inflation, productivity, energy and national defense must be addressed:

1. Against inflation, our only "policy" is super-tight money. By itself, as Thatcher's England is proving, it cannot lay a glove on inflation without creating unacceptable stagflation, recession, and unemployment. Yet the Administration's free-market mythology immobilizes it from addressing the wage-price spiral in steel, in automobiles, in coal, and in a score of other major sectors.

There are overseas examples of what to do about cost-push inflation that we seem intent on ignoring. In Austria, the government has for years successfully worked a social contract in which labor and management agree on a compact which puts a productivity-related ceiling on the spiral. In Holland, the government has had a comprehensive system of wage and price controls in place for the last couple of years, and inflation is today less than 7 percent.

2. In productivity, we have only a fragmentary policy, though accelerated productivity increases are one of the best inflation-fighters going. Republicans and Democrats are generally agreed on the need for liberalized depreciation for business investments, and on the simplification and reform of regulatory excesses.

But labor-management-government cooperation for productivity improvement is still frowned on, despite the splendid results of cooperation in the two postwar miracle-workers, Germany and Japan. In both these countries labor has been weaned away from inefficient work-rules, and management from concentration on short-term and financial fetishism. Why not in America?

Nor does the Reagan budget do anything noticeable for productivity. Infrastructure programs—rebuilding America's ruined streets and bridges and sewer systems and waterworks and railroads and utilities and mass transit—is badly short-changed. So is manpower training, and industrial research and development, both public and private.

3. The Administration is considering killing the Department of Energy, but there is precious little of an energy policy to kill. To stand up to OPEC—and in the process make ourself the hero of the non-oil-producing world—we need to build up a strategic petroleum reserve. We need to conserve gasoline, but instead of discussing an increase in the present 4-cents-a-gallon gasoline tax, with a built-in rebate for workers who need it to get to work and other essential uses, we talk of abandoning the present national gasoline-saving 55-miles-per-hour speed limit. We lavish billions of windfall profits on our oil industry, but from solar research we are about to remove the little that it hath.

4. Finally, there are the economic and geographical implications of our shift of emphasis toward the military. With our drastically increased military spending, we may be in fact weakening our security by weakening our economy. Military hyper-spending hits the most inflationary spots in the economy, where skilled manpower and materials are scarcest. Military production, unlike the production of civilian goods, creates no purchasable commodity to satisfy the money demand of the workers and entrepreneurs who make the military goods.

We had better find a way out of the arms race with the Kremlin which we are now accelerating. The political and economic unrest in Poland brought us very close to the brink: the Soviet Union must have come very near intervening, and heaven knows what sort of reaction that might have produced from the White House, the Pentagon, the State Department, and the Congress.

But as our recent Joint Economic Committee study showed, throughout Eastern Europe—in Czechoslovakia, in Hungary, in Romania, in East Germany—economic stagnation is producing situations which may well duplicate on a large scale the Polish tinderbox. Russia is curtailing her oil supplies to Eastern Europe, and her COMECON economic aid.

Trouble surely lies ahead, unless we privately and publicly urge the Kremlin to begin with us now, not just talks on nuclear weapons, but meaningful talks on an across-the-board reduction in the level of all our armaments. Only by such a return to sanity can both sides of the Cold War address the problems of the less-developed countries, including those of Eastern Europe, before they explode in our face.

There is a lot more involved in world peace than economics, but economics might be a foot in the door.

Will someone willing to tackle the real problems of the age please come forward.●

ANTI-JUNKETING ACT OF 1981

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

● Mr. CORCORAN. Mr. Speaker, I am introducing legislation today along with our colleague, Congressman GARY LEE, that would curb unnecessary travel to foreign countries by Members of the House of Representatives. My bill would eliminate travel by Members who are retiring or who have been defeated in their primary elections. This is a loophole by which Members of the House who are not returning to Government service globetrot at taxpayers' expense.

In addition, my bill contains a sunshine provision that would require any foreign travel by Members or staff to be authorized by a public rollcall vote of the full committee after formal consideration of a travel proposal. The travel proposal would have to include the legislative objectives of the proposed travel and the projected cost of that travel.

If we were given an opportunity to consider the benefits of travel relative to cost and purpose, we might find that some foreign travel is not a cost effective exercise of our oversight responsibilities. I realize that there are legitimate reasons for some congressional travel, and this legislation would not affect legitimate foreign travel by Members of Congress. It would create an atmosphere of responsible decisionmaking, however, and discourage unnecessary travel. Furthermore, it would provide a source for further savings in committee budgets.

Junkets discredit the U.S. Congress and shake the already tenuous confidence of the American people in their Government representatives. I urge my colleagues to support continuing reform of our system of travel authorization.●

THE 1981 DANTE AWARD GOES TO DAVID CONDON

The SPEAKER pro tempore. Under a previous order of the House, the gentlemen from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues that David Condon, sports columnist for the Chicago Tribune, will receive the Tenth Annual Dante Award of the Joint Civic Committee of Italian Americans on May 8, 1981, at a luncheon in his honor at the Como Inn of Chicago. Mr. Condon writes in the Tribune's "In the Wake of the News" column, which is the Nation's oldest continuous sports column.

Since 1944 when he began his career with the Chicago Tribune, David Condon has shown his devotion to the city of Chicago and its people and has upheld the highest standards of integrity in his presentations to Tribune readers. He has made significant and innovative contributions to journalism in our country, and he richly deserves the Dante Award, because it was Dante Alighieri, in his "Divine Comedy," who said, "Men should never be timid about the truth."

The Dante Award was established by the Joint Civic Committee of Italian Americans, an umbrella organization comprised of more than 40 civil organizations in the Chicago area, to extend recognition annually to an individual in the mass media communication field who has made positive contributions to the profession of journalism.

David Condon was born in Las Vegas, shoveled coal in the family coal business, and was once a cemetery caretaker. He graduated from the University of Notre Dame, and during his attendance there he was the editor of the Notre Dame Scholastic. He has also seen service with the Las Vegas, N. Mex., Daily Optic, the South Bend, Ind., Tribune, and the 8th Service Command, U.S. Army.

Mr. Condon's "Wake of the News" columns are wide ranging and he writes on subjects as diverse as Yankee Don Larsen's perfect game in the 1956 World Series, Casey Stengel, Philip K. Wrigley, owner of the Chicago Cubs; activities in the stables at a race track, a boxing champion's training camp, President Eisenhower's caddy, the death of Samuel Cardinal Stritch, or a retarded children's home.

He won the American Bowling Congress Award for the year's best feature story in 1955 for the only bowling column he wrote during that year, is the author of "the Go-Go White Sox," a 1960 publication by Bobbs-Merrill, and was represented in Prentice-Hall's annual anthology of the Nation's best sports stories for 4 consecutive years. He also covered the coronation of Queen Elizabeth II, the late Samuel Cardinal Stritch's visit through New Mexico's Indian country, vice conditions in a central Illinois city, and has done an intimate personality profile of Rev. Theodore Hesburgh, longtime president of Notre Dame University.

David Condon's accomplishments are many, but special attention should be given to the awards he has received for his assistance of inmate sports programs at the Cook County Jail, the Illinois State Penitentiary at Pontiac, and the Federal prison at Terre Haute. In 1972, he became the second sports writer in history to be honored by the National Confederation of Eagles for his outstanding contributions and work with retarded children.

The Tenth Annual Dante Award luncheon to honor David Condon will be held at the Como Inn and many political dignitaries, civic leaders, and leaders of the communications industry will be in attendance.

Jerome N. Zurla is the chairman of the luncheon, Bill and Mary Frances Veeck will jointly serve as master of ceremonies, and the invocation will be offered by the Rev. Lawrence Cozzi, C.S. Chairman Zurla and JCCIA President James L. Coli will present the Dante Award to Mr. Condon.

The John Fischetti Scholarship was established by the JCCIA to further the study of Italian American students in communications and is named after the Pulitzer Prize-winning political cartoonist. This year's award goes to Mr. Miles Messina, 3253 North Oconto Avenue, in Chicago, located in the 11th District which I am honored to represent.

Mr. Speaker, I extend my warmest congratulations to David Condon on this honor, and for the strong and constructive impact he has made on our community. His career, his character, and his splendid record of achievement prove that he is, indeed, a "friend of truth."●

COMMUNICATION FROM THE CHAIRMAN OF COMMITTEE ON FOREIGN AFFAIRS—SUBPENA FOR TESTIMONY IN THE MATTER OF UNITED STATES OF AMERICA VERSUS LAURENCE JOHN LAYTON

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Foreign Affairs:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., April 15, 1981.

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

DEAR MR. SPEAKER: In accordance with the provisions of Rule L of the Rules of the House of Representatives, I am hereby notifying you of my receipt today of a subpoena duces tecum in the matter of the *United States of America* v. *Laurence John Layton.* Mr. Layton has been charged with a four count indictment of Murder, Conspiracy to Murder, Aiding and Abetting in the Murder of Congressman Leo Ryan and Conspiracy and Attempted Murder of Richard Dwyer in the United States District Court for the Northern District of California (Criminal No. CR-80-416-RFP).

The subpoena commands my appearance in the courtroom of the Honorable Robert F. Peckham, Chief United States District Judge for the Northern District of California, on July 9, 1981 at 9:30 a.m., with classified section III(F) of the report issued by the Committee on Foreign Affairs on the Jonestown, Guyana tragedy. (*See* "The Assassination of Representative Leo J. Ryan in the Jonestown, Guyana Tragedy" Report of a Staff Investigative Group to the Committee on Foreign Affairs, U.S. House of Representatives, May 15, 1979, House Document No. 96-233, 96th Congress, 1st Session). The subject matter of this subpoena relates to the Committee on Foreign Affairs' investigation into the Jonestown, Guyana tragedy, conducted pursuant to the provisions of clause 1(h)(10) and clause 2 of Rule X of the Rules of the House of Representatives and of House Resolution 981 of the 95th Congress.

I have requested legal representation in this matter from the Clerk's general counsel since the custody of the documents in question falls under the jurisdiction of the Clerk's office.

I am examining the subpoena and, pursuant to my responsibility under Rule L, will notify you of my determination as to whether the subpoena is a proper exercise of the court's jurisdiction, is material and relevant and is consistent with my privileges and rights as a Member of the U.S. House of Representatives.

With best wishes, I am,

Sincerely yours,

CLEMENT J. ZABLOCKI,
Chairman.

[U.S. District Court for the Northern District of California—No. CR-80-416-RFP]

UNITED STATES OF AMERICA *v.* LAURENCE JOHN LAYTON, TO CLEMENT J. ZABLOCKI, CHAIRMAN, COMMITTEE ON FOREIGN AFFAIRS, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

IN FORMA PAUPERIS

Subpoena to Produce

You are hereby commanded to appear in the United States District Court for the Northern District of California, at 450 Golden Gate Avenue in the Courtroom of the Hon. Robert F. Peckham, 19th Floor, in the city of San Francisco, on the 9th day of July, 1981 at 9:30 o'clock A.M. to testify in the above case and bring with you Classified section of report entitled "The Assassination of Representative Leo J. Ryan and the Jonestown, Guyana Tragedy." Report of the Staff Investigative Group to the Committee on Foreign Affairs, House of Representatives, Dated: May 15, 1979, § III(F), which section is entitled "Conspiracy to Kill Rep. Leo Ryan?"

This subpoena is issued upon application of the [1] defendant.

April 7, 1981.

James F. Hewitt, Federal Public Defender. Attorney for defendant Layton, 450 Golden Gate Avenue, San Francisco, CA 94102, Phone: (415) 556-7712.

WILLIAM L. WHITTAKER,
U.S. Magistrate [2] *or Clerk.*
By CORINNE A. ORTEGA,
Deputy Clerk.

[In the U.S. District Court for the Northern District of California—CR-80-416-RFP]

UNITED STATES OF AMERICA, PLAINTIFF, *v.* LAURENCE JOHN LAYTON, DEFENDANT

ORDER

On Motion of the defendant under the provisions of Rule 17 (b) and (c), and good cause appearing therefor.

It is hereby ordered that subpoenas duces tecum be issued to the named witnesses for the production of the described books, papers, documents or other objects in the possession or subject to the custody and control of the witness, and that the fees and costs of said subpoena and witness be paid in the same manner in which similar costs and fees are paid in case of a witness subpoenaed in behalf of the government.

It is further ordered that the custodian of the subpoenaed materials may, in lieu of personal appearance prior to trial, deposit said materials with the Clerk of this Court no later than April 20, 1981, for examination and copying by both parties and this Court.

Party to whom subpoena directed:

Clement J. Zablocki, Chairman, Committee on Foreign Affairs, House of Representatives, Washington, D.C.

Date of Trial: July 9, 1981.

Materials subject to subpoena:

Classified section of report entitled, "The Assassination of Representative Leo J. Ryan and the Jonestown, Guyana Tragedy." Report of the Staff Investigative Group to the Committee on Foreign Affairs, House of Representatives, dated: May 15, 1979, § III(F), which section is entitled "Conspiracy to Kill Rep. Leo Ryan?"

Dated: April 6, 1981.

ROBERT F. PECKHAM,
Chief U.S. District Judge.

[1] Insert "United States," or "defendant" as the case may be.

[2] A subpoena shall be issued by a Magistrate in a proceeding before him, but need not be under the seal of the court. (Rule 17(a), Federal Rules of Criminal Procedure.)

[In the U.S. District Court for the Northern District of California—CR-80-0416-RFP]

UNITED STATES OF AMERICA, PLAINTIFF, *v.* LAURENCE JOHN LAYTON, DEFENDANT

ORDER

This court has today ordered that subpoenas duces tecum be served on the Secretary of State, the Chairman of the Committee on Foreign Affairs of the United States House of Representatives, and the Custodian of Records of the Federal Communications Commission. Those subpoenas order that the materials requested be turned over to the Clerk of this court no later than April 20, 1981.

In the event that any of the persons so served wish to file motions to quash, such motions shall be filed no later than April 20, 1981. Any opposition to such motions made shall be due no later than April 27, 1981. Hearing on any such motions to quash will be held on May 5, 1981, at 10:00 a.m., at the United States Courthouse, 450 Golden Gate Avenue, San Francisco, California.

In order to expedite the disposition of any issues raised by these subpoenas, this court will conduct a conference, via telephone, with counsel for the parties to this action, and with counsel for the persons served with these subpoenas. That conference shall commence at 11:00 a.m., Pacific time, on April 13, 1981. At that conference, the court will wish to discuss the anticipated extent of compliance with the subpoenas, the anticipated extent of and grounds for any motions to quash, and any possibilities of informal agreements which would resolve any disputes over the subpoenaed material.

The court orders that counsel for the defendant provide the court, prior to the scheduled time for this conference, the names and telephone numbers of the counsel who will be representing the recipients of the subpoenas at this conference. The court will initiate the telephone conference call. The court asks that the counsel for the recipients of the subpoenas be available at these telephone numbers at the time set for this conference.

Counsel for the defendant is further ordered to have a copy of this Order served on each of those receiving a subpoena duces tecum. The copy of this Order shall accompany and be served at the same time as the subpoenas.

So ordered.

Dated: April 6, 1981.

ROBERT F. PECKHAM,
Chief U.S. District Judge.

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 Mr. WALKER) to revise and extend their remarks and include extraneous material:)

Mr. CORCORAN, for 5 minutes, today.

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

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 15 minutes, today.

EXTENSION OF REMARKS

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

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

Mr. LEBOUTILLIER in two instances.

Mr. WEBER of Minnesota in two instances.

Mr. ARCHER.

Mr. GREEN in two instances.

Mr. JEFFRIES.

Mr. MICHEL in two instances.

Mr. SCHULZE.

Mr. PURSELL in two instances.

Mr. MCKINNEY.

Mr. PHILIP M. CRANE.

Mr. CORCORAN.

Mr. RAILSBACK.

Mr. EVANS, of Delaware.

Mr. GOODLING.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous matter:)

Mr. REUSS.

Mr. SCHEUER.

Mr. STOKES in four instances.

Mr. ASPIN.

Mr. FAUNTROY in three instances.

Mr. MINETA.

Mr. MOAKLEY.

Mr. HAMILTON.

Mr. LEHMAN.

Mr. LONG of Louisiana.

Mr. FOGLIETTA.

Mr. WYDEN.

Mr. MILLER of California in two instances.

Mr. RODINO in two instances.

Mr. RANGEL.

Mr. CONYERS in two instances.

Mr. EDWARDS of California.

Mr. GUARINI.

Mr. NOWAK.

Mr. HUBBARD.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 60. Joint resolution to authorize and request the President to designate the week of May 3 through 9, 1981, as "National Physical Fitness and Sports for All Week"; to the Committee on Post Office and Civil Service.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 155. Joint resolution to authorize and request the President to issue a proclamation designating May 3 through May 10, 1981, as "Jewish Heritage Week."

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of Monday, April 27, 1981, the Chair declares that the House will recess until approximately 8:40 p.m.

Accordingly (at 1 o'clock and 20 minutes p.m.), the House stood in recess until 8:40 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 44 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 116 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presiding.

The Doorkeeper, Hon. James T. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber the gentleman from Texas (Mr. WRIGHT); the gentleman from Washington (Mr. FOLEY); the gentleman from Louisiana (Mr. LONG); the gentleman from Arkansas (Mr. ALEXANDER); the gentleman from California (Mr. EDWARDS); the gentleman from Illinois (Mr. MICHEL); the gentleman from Mississippi (Mr. LOTT); the gentleman from New York (Mr. KEMP); the gentleman from Arizona (Mr. RHODES); and the gentleman from California (Mr. CLAUSEN).

The VICE PRESIDENT. On behalf of the Senate, pursuant to the order previously entered into, the Chair appoints the following Senators on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from Tennessee (Mr. BAKER); the Senator from Alaska (Mr. STEVENS); the Senator from South Carolina (Mr. THURMOND); the Senator from Idaho (Mr. MCCLURE); the Senator from Texas (Mr. TOWER); the Senator from Utah (Mr. GARN); the Senator from Oregon (Mr. PACKWOOD); the Senator from West Virginia (Mr. ROBERT C. BYRD); the Senator from California (Mr. CRANSTON); the Senator from Hawaii (Mr. INOUYE); the Senator from Maine (Mr. MITCHELL); the Senator from Ohio (Mr. METZENBAUM); and the Senator from New York (Mr. MOYNIHAN).

The Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 1 minute p.m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

[Applause, the Members rising.]

A PROGRAM FOR ECONOMIC RECOVERY—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-48)

The PRESIDENT. Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests and fellow citizens.

I have no words to express my appreciation for that greeting.

[Applause.]

I have come to speak to you tonight about our economic recovery program and why I believe it is essential that the Congress approve this package which I believe will lift the crushing burden of inflation off of our citizens and restore the vitality to our economy, and our industrial machine.

First, however, and due to events of the past few weeks, will you permit me to digress for a moment from the all important subject of why we must bring Government spending under control and reduce tax rates. I would like to say a few words directly to all of you and to those who are watching and listening tonight. Because this is the only way I know to express to all of you on behalf of Nancy and myself our appreciation for your messages, your flowers, and most of all, your prayers, not only for me, but for those others who fell beside me.

The warmth of your words, the expression of friendship and, yes, love, meant more to us than you can ever know. You have given us a memory that we will treasure forever. And you have provided an answer to those few voices that were raised saying that what happened was evidence that ours is a sick society.

The society we heard from is made up of millions of compassionate Americans and their children from college age to kindergarten.

As a matter of fact, as evidence of that I have a letter with me. The letter came from Peter Sweeney. He is in the second grade in the Riverside School in Rockville Center. And he said, "I hope you get well quick or you might have to make a speech in your pajamas."

He added a postscript. "P.S. If you have to make a speech in your pajamas, I warned you."

Well, sick societies do not produce men like the two who recently returned from outer space. Sick societies do not produce young men like Secret Service Agent Tim McCarthy—who placed his body between mine and the man with the gun simply because he felt that is what his duty called for him to do. Sick societies do not produce dedicated police officers like Tom Delahanty—or able and devoted public servants like Jim Brady.

[Applause.]

Sick societies do not make people like us so proud to be Americans and so very proud of our fellow citizens.

Now, let us talk about getting spending and inflation under control and cutting your tax rates.

Mr. Speaker and Senator BAKER, I want to thank you for your cooperation in helping to arrange this joint session of the Congress. I won't be speaking to you very long tonight, but I asked for this meeting because the urgency of our joint mission has not changed.

Thanks to some very fine people, my health is much improved. I would like to be able to say that with regard to the health of the economy. It has been half a year since the election that charged all of us in this Government with the task of restoring our economy. Where have we come in these 6 months? Inflation as measured by the Consumer Price Index has continued at a double-digit rate. Mortgage interest rates have averaged almost 15 percent for these 6 months, preventing families across America from buying homes. There are still almost 8 million unemployed. The average worker's hourly earnings after adjusting for inflation are lower today than they were 6 months ago, and there have been over 6,000 business failures.

Six months is long enough. The American people now want us to act, and not in half measures. They demand, and they have earned, a full and comprehensive effort to clean up our economic mess.

Because of the extent of our economy's sickness, we know that the cure will not come quickly, and that even with our package, progress will come in inches and feet, not in miles. But to fail to act will delay even longer, and more painfully, the cure which must come.

And that cure begins with the Federal budget. And the budgetary actions taken by the Congress over the next few days will determine how we respond to the message of last November 4.

That message was very simple. Our Government is too big and it spends too much.

For the last few months you and I have enjoyed a relationship based on extraordinary cooperation. Because of this cooperation we have come a long distance in less than 3 months. I want to thank the leadership of the Congress for helping in setting a fair timetable for consideration of our recommendations, and committee chairmen on both sides of the aisle have called prompt and thorough hearings.

We have also communicated in a spirit of candor, openness, and mutual respect. Tonight, as our decision day nears, and as the House of Representatives weighs its alternatives, I wish to address you in that same spirit.

The Senate Budget Committee, under the leadership of PETE DOMENICI, has just today voted out a budget resolution supported by Democrats and Republicans alike that is in all major respects consistent with the program that we have proposed.

Now we look forward to favorable action on the Senate floor. But an equally crucial test involves the House of Representatives.

The House will soon be choosing between two different versions or measures to deal with the economy. One is the measure offered by the House Budget Committee. The other is a bipartisan measure, a substitute introduced by Congressmen PHIL GRAMM of Texas and DEL LATTA of Ohio.

On behalf of the Administration, let me say that we embrace and fully support that bipartisan substitute.

It will achieve all the essential aims of controlling Government spending, reducing the tax burden, building a national defense second to none, and stimulating economic growth and creating millions of new jobs.

At the same time, however, I must state our opposition to the measure offered by the House Budget Committee.

It may appear that we have two alternatives. In reality, however, there are no more alternatives left. The committee measure quite simply falls far too short of the essential actions that we must take. For example, in the next 3 years:

The Committee measure projects spending $141 billion more than does the bipartisan substitute.

It regrettably cuts over $14 billion in essential defense funding—funding required to restore America's national security.

It adheres to the failed policy of trying to balance the budget on the taxpayers' back. It would increase tax payments by over a third—adding up to a staggering quarter of a trillion dollars. Federal taxes would increase 12 percent each year. Taxpayers would be paying a larger share of their income to Government in 1984 than they do at present.

In short, that measure reflects an echo of the past rather than a benchmark for the future. High taxes and excess spending growth created our present economic mess; more of the same will not cure the hardship, anxiety, and discouragement it has imposed on the American people.

Let us cut through the fog for a moment. The answer to a Government that is too big is to stop feeding its growth. Government spending has been growing faster than the economy itself. The massive national debt which we accumulated is the result of the Government's high spending diet. Well, it is time to change the diet and to change it in the right way.

I know the tax portion of our package is of concern to some of you. Let me make a few points that I feel have been overlooked. First of all, it should be looked at as an integral part of the entire package, not something separate and apart from the budget reductions, the regulatory relief, and the monetary restraints.

Probably the most common misconception is that we are proposing to reduce Government revenues to less than what the Government has been receiving. This is not true. Actually, the discussion has to do with how much of a tax increase should be imposed on the taxpayer in 1982.

Now, I know that over the recess in some informal polling some of your constituents have been asked which they would rather have, a balanced budget or a tax cut. And with the common sense that characterizes the people of this country, the answer of course has been a balanced budget. But may I suggest with no inference that there was wrong intent on the part of those who asked the question, the question was inappropriate to the situation. Our choice is not between a balanced budget and a tax cut. Properly asked, the question is, do you want a great big raise in your taxes this coming year, or at the worst a very little increase with the prospect of tax reduction and a balanced budget down the road a ways.

With the common sense that the people have already shown, I am sure we all know what the answer to that question would be. A gigantic tax increase has been built into the system. We propose nothing more than a reduction of that increase. The people have a right to know that even with our plan they will be paying more in taxes, but not as much more as they will without it.

The option I believe offered by the House Budget Committee will leave spending too high and tax rates too high. At the same time, I think it cuts the defense budget too much. And by attempting to reduce the deficit through higher taxes, it will not create the kind of strong economic growth and the new jobs that we must have.

Let us not overlook the fact that the small, independent business man or woman creates more than 80 percent of all the new jobs and employs more than half of our total work force. Our across-the-board cut in tax rates for a 3-year period will give them much of the incentive and promise of stability they need to go forward with expansion plans calling for additional employees.

Tonight I renew my call for us to work as a team, to join in cooperation so that we find answers which will begin to solve all our economic problems and not just some of them. The economic recovery package that I have outlined to you over the past few weeks is, I deeply believe, the only answer that we have left. Reducing the growth of spending, cutting marginal tax rates, providing relief from over-regulation, and following a noninflationary and predictable monetary policy are interwoven measures which will insure that we have addressed each of the severe dislocations which threaten our economic future. These policies will make our economy stronger and the stronger economy will balance the budget which we are committed to do by 1984.

When I took the oath of office, I pledged loyalty to only one special interest group—"We the people." Those people—neighbors and friends, shopkeepers and laborers, farmers and craftsmen—do not have infinite patience. As a matter of fact, some 80 years ago Teddy Roosevelt wrote these instructive words in his first message to the Congress: "The American people are slow to wrath, but when their wrath is once kindled, it burns like a consuming flame."

Well, perhaps that kind of wrath will be deserved if our answer to these serious problems is to repeat the mistakes of the past. The old and comfortable way is to shave a little here and add a little there. Well, that is not acceptable any more. I think this great and historic Congress knows that way is no longer acceptable.

Thank you very much. Thank you.

I think you have shown that you know the one sure way to continue the inflationary spiral is to fall back into the predictable patterns of old economic practices.

Isn't it time that we tried something new?

When you allowed me to speak to you here in these Chambers a little earlier, I told you that I wanted this program for economic recovery to be ours, yours and mine. I think the bipartisan substitute bill has achieved that purpose. It moves us toward an economic vitality.

Just 2 weeks ago you and I joined millions of our fellow Americans in marveling at the magical historical moment that John Young and Bob Crippen created in their space shuttle Columbia.

The last manned effort was almost 6 years ago, and I remembered on this more recent day over the years how we had all come to expect technological precision of our men and machines. And each amazing achievement became commonplace, until the next new challenge was raised.

With the Space Shuttle, we tested our ingenuity once again, moving beyond the accomplishments of the past into the promise and uncertainty of the future. Thus we not only planned to send up a 122-foot aircraft, 170 miles into space, but we also intended to make it maneuverable and return it to Earth landing 98 tons of exotic metals delicately on a remote dry lake bed.

The Space Shuttle did more than prove our technological abilities. It raised our expectations once more. It started us dreaming again. The poet Carl Sandburg wrote, "The Republic is a dream. Nothing happens unless first a dream."

And that is what makes us as Americans different. We have always reached for a new spirit and aimed at a higher goal. We have been courageous and determined, unafraid and bold. Who among us wants to be first to say we no longer have those qualities, that we must limp along doing the same things that have brought us our present misery?

I believe that the people you and I represent are ready to chart a new course. They look to us to meet the great challenge, to reach beyond the commonplace and not fall short for lack of creativity or courage.

Someone, you know, has said that he who would have nothing to do with thorns must never attempt to gather flowers.

But we have much greatness before us. We can restore our economic strength and build opportunities like none we have ever had before.

As Carl Sandburg said, all we need to begin with is a dream that we can do better than before.

All we need to have is faith, and that dream will come true.

All we need to do is act, and the time for action is now.

Thank you and goodnight.

[Applause.]

At 9 o'clock and 28 minutes p.m., the President of the United States, accompanied by the Committee of Escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order: The members of the President's Cabinet.

The Ambassadors, Ministers, and Charge d'Affaires of foreign governments.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 9 o'clock and 33 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

REFERENCE OF PRESIDENT'S MESSAGE

Mr. DANIELSON. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 9 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 29, 1981, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

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

1204. A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to amend the Federal Insecticide, Fungicide, and Rodenticide Act; to the Committee on Agriculture.

1205. A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend title 10, United States Code, to provide for more efficient and expeditious disposal of lost, abandoned, or unclaimed property in the custody of the military departments; to the Committee on Armed Services.

1206. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 313 of title 32, United States Code, to permit the appointment of noncitizen medical and dental officers in the National Guard; to the Committee on Armed Services.

1207. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to establish a nutritionally adequate, consumer-acceptable ration for the Armed Forces, to authorize the issuance and sale of rations, to prescribe special rations, and for other purposes; to the Committee on Armed Services.

1208. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment to Saudi Arabia (Transmittal No. 81-43), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

1209. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense equipment and services to Korea (Transmittal No. 81-40), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

1210. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the international affairs functions of the Department of the Treasury for fiscal years 1982 and 1983; to the Committee on Banking, Finance and Urban Affairs.

1211. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend programs under the Older Americans Act of 1965, and for other purposes; to the Committee on Education and Labor.

1212. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend the Head Start and Native American programs, and for other purposes; to the Committee on Education and Labor.

1213. A letter from the Secretary of Education, transmitting a draft of proposed legislation to consolidate and simplify the administration of Federal aid for elementary and secondary education and to restore control over education to States and local educational agencies; to the Committee on Education and Labor.

1214. A letter from the Secretary of Health and Human Services, transmitting notice of a delay until June 15, 1981, in the submission of the annual report of the Public Health Service for fiscal year 1980, required by section 511 of the Public Health Service Act; to the Committee on Energy and Commerce.

1215. A letter from the Secretary of Health and Human Services, transmitting a report on State compliance with medicaid utilization control requirements, pursuant to section 1903(g)(6) of the Social Security Act, as amended; to the Committee on Energy and Commerce.

1216. A letter from the Director, Defense Security Assistance Agency, transmitting a report covering the quarter ended March 31, 1981, listing the price and availability estimates provided to countries and the requests for issuance of letters of offer received, pursuant to section 28 of the Arms Export Control Act; to the Committee on Foreign Affairs.

1217. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense equipment to the Netherlands (Transmittal No. 81-39), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1218. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense equipment and services to Korea (Transmittal No. 81-40), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1219. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense services to the Federal Republic of Germany (Transmittal No. 81-42), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1220. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to Saudi Arabia (Transmittal No. 81-43), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1221. A letter from the Acting President, Overseas Private Investment Corporation, transmitting the Corporation's 1980 development report, assessing the economic and social development impact and benefits of OPIC-supported projects during fiscal year 1980, pursuant to section 240A of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1222. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed new records system for the Navy, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1223. A letter from the Acting Assistant Attorney General for Administration, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1224. A letter from the Acting Chairman, U.S. Consumer Product Safety Commission, transmitting a report on the Commission's administration of the Government in the Sunshine Act during calendar year 1980, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1225. A letter from the Secretary of Energy, transmitting the third annual report on various bidding options used in fiscal year 1980 lease sales on the Outer Continental Shelf, pursuant to section 8(a)(9) of the Outer Continental Shelf Lands Act of 1953, as amended; to the Committee on Interior and Insular Affairs.

1226. A letter from the Secretary of Energy, transmitting the 1980 annual report of the Bonneville Power Administration, containing a consolidated financial statement for the Federal Columbia River Power System, pursuant to section 3(a) of Public Law 89-448; to the Committee on Interior and Insular Affairs.

1227. A letter from the Special Assistant, Office of the Secretary of Defense, transmitting a report on Department of Defense procurement from small and other business firms for October 1980, pursuant to section 10(d) of the Small Business Act as amended; to the Committee on Small Business.

1228. A letter from the Administrator, U.S. Small Business Administration, transmitting volume II of the Small Business Administration's annual report for fiscal year 1980, pursuant to section 10 of the Small Business Act, as amended; to the Committee on Small Business.

1229. A letter from the Acting General Counsel, Department of Energy, transmitting a draft of proposed legislation to authorize appropriations to the Department of Energy for civilian programs for fiscal year 1982 and fiscal year 1983, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

1230. A letter from the Acting Chairman, Interstate Commerce Commission, transmitting the 94th annual report of the Commission, covering fiscal year 1980, pursuant to section 10311 and 10327(j) of title 49, United States Code; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

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. ANDERSON:

H.R. 3266. A bill to amend the Internal Revenue Code of 1954 to provide royalty holders a credit against the windfall profit tax; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 3267. A bill to amend the Older Americans Act of 1965 to extend certain authorizations of appropriations made in such act, and to make certain revisions in the provisions of such act; to the Committee on Education and Labor.

By Mr. BENNETT:

H.R. 3268. A bill to improve the administration of criminal justice with respect to organized crime and the use of violence; to the Committee on the Judiciary.

By Mr. BROOKS:

H.R. 3269. A bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws; to the Committee on the Judiciary.

By BROOKS (for himself and Mr. HORTON):

H.R. 3270. A bill to extend and amend the authority of the President to reorganize the executive branch of the Government under chapter 9 of title 5, United States Code; to the Committee on Government Operations.

By Mr. BROWN of California:

H.R. 3271. A bill to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 1 year; to the Committee on Agriculture.

By Mr. COELHO:

H.R. 3272. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of gains from dispositions of patents or similar property for purposes of applying the limitation on the foreign tax credit; to the Committee on Ways and Means.

By Mr. COLEMAN:

H.R. 3273. A bill to amend the Food Stamp Act of 1977 to restrain food stamp program spending, to increase State agency flexibility, to focus benefits toward the most needy, to extend appropriations authority, to amend the Agriculture and Consumer Protection Act of 1973, and to extend and improve the commodity distribution programs and for other purposes; to the Committee on Agriculture.

By Mr. COLLINS of Texas:

H.R. 3274. A bill to amend title II of the Social Security Act to terminate the payment of benefits thereunder to inmates of penal institutions; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 3275. A bill to amend the Civil Rights Act of 1957 to authorize appropriations for the Civil Rights Commission; to the Committee on the Judiciary.

By Mr. GUARINI:

H.R. 3276. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income up to $1,000 of interest and dividends; to the Committee on Ways and Means.

By Mrs. HOLT:

H.R. 3277. A bill to amend section 320 of the Agricultural Adjustment Act of 1938; to the Committee on Agriculture.

H.R. 3278. A bill to amend title 10, United States Code, to provide additional standards for determining the amount of space to be programed for military retirees and their dependents in medical facilities of the uniformed services, and for other purposes; to the Committee on Armed Services.

By Mr. MURTHA:

H.R. 3279. A bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes; to the Committee on Ways and Means.

H.R. 3280. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. PURSELL:

H.R. 3281. A bill to assure that job skills training and employment opportunities are furnished through Opportunities Industrialization Centers and other community-based organizations of demonstrated effectiveness in certain block grant programs involving the creation of urban jobs in enterprise zones, and for other purposes; to the Committee on Education and Labor.

By Mr. PURSELL (for himself, Mr. KRAMER, Mr. HOLLENBECK, Mr. BROWN of Colorado, Mr. WINN, Mr. CORCORAN, Mr. KINDNESS, Mr. COUGHLIN, Mr. BENEDICT, Mr. GOLDWATER, Mr. DAVIS, Mr. DAUB, Mr. BARNARD, Mr. JAMES K. COYNE, Mr. HANSEN of Idaho, Mr. JOHNSTON, Mr. MARRIOTT, Mr. PRITCHARD, and Mr. ROBINSON):

H.R. 3282. A bill to provide for permanent tax rate reductions for individuals; to the Committee on Ways and Means.

By Mr. RODINO (by request):

H.R. 3283. A bill to repeal certain provisions applicable to compensation for the overtime inspectional services of employees of the Immigration and Naturalization Service, and for other purposes; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

By Mr. ROE:

H.R. 3284. A bill to designate the birthday of Martin Luther King, Jr., a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. ROSE:

H.R. 3285. A bill to amend title 18, United States Code, to regulate polygraph and other detection of deception examinations and prohibit certain practices with respect thereto for the purpose of protecting the privacy rights of employees and individuals seeking employment with employers engaged in any business or activity in or affecting interstate commerce while permitting such employers to use such examinations to protect their businesses and control property losses attributable to employee theft and other acts of misconduct; to the Committee on the Judiciary.

By Mr. ROSE (for himself, Mr. BRINKLEY, Mr. ROBERT W. DANIEL, JR., Mr. DICKINSON, Mr. ENGLISH, Mr. EVANS of Georgia, Mr. FOUNTAIN, Mr. GINN, Mr. RALPH M. HALL, Mr. HATCHER, Mr. JONES of North Carolina, Mr. KAZEN, Mr. LUJAN, Mr. NAPIER, Mr. SKEEN, Mr. STENHOLM, Mr. WATKINS, Mr. WHITLEY, Mr. MCCURDY, Mr. WILSON, and Mr. LOEFFLER):

H.R. 3286. A bill to assure adequate supplies of peanuts and the products thereof to meet the food needs of consumers at reasonable prices; to the Committee on Agriculture.

By Mr. SEIBERLING (for himself, Mr. DIXON, Mr. BEILENSON, Mrs. COLLINS of Illinois, Mr. CROCKETT, Mr. DYMALLY, Mr. GARCIA, Mr. MITCHELL of Maryland, Mr. ROYBAL, Mr. STOKES, and Mr. WAXMAN):

H.R. 3287. A bill to repeal baseball's antitrust exemption, to prohibit certain territorial restrictions in professional sports, and for other purposes; to the Committee on the Judiciary.

By Mr. SHANNON (for himself and Mr. ROUSSELOT):

H.R. 3288. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives for research and development expenditures; to the Committee on Ways and Means.

By Mr. ZABLOCKI (for himself and Mr. BROOMFIELD) (by request):

H.R. 3289. A bill to authorize appropriations under the Arms Control and Disarmament Act, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ASPIN:

H.R. 3290. A bill to amend the Internal Revenue Code of 1954 with respect to the definition of a cooperative housing corporation; to the Committee on Ways and Means.

By Mr. GOODLING:

H.R. 3291. A bill to provide for the gradual reduction in payments for certain types of children under the impact aid program of Public Law 874; to the Committee on Education and Labor.

By Mr. MURPHY:

H.R. 3292. A bill to amend the Domestic Volunteer Service Act of 1973 to extend certain authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mr. DE LUGO (for himself, Mr. WON PAT, Mr. LAGOMARSINO, and Mr. PHILLIP BURTON):

H.J. Res. 238. Joint resolution to approve a constitution for the U.S. Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. CRAIG:

H.J. Res. 239. Joint resolution authorizing and requesting the President to designate the week beginning June 21, 1981, as "National Oldtime Fiddlers Week"; to the Committee on Post Office and Civil Service.

By Mr. DUNCAN:

H.J. Res. 240. Joint resolution to proclaim June 4, 1981, as "Jack Jouett Day"; to the Committee on Post Office and Civil Service.

By Mr. RITTER:

H.J. Res. 241. Joint resolution to designate the week commencing with the first Sunday in October of each year as "National Hawk Watching Week"; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H.J. Res. 242. Joint resolution to provide for the issuance of a commemorative postage stamp in honor of Patience Lovell Wright; to the Committee on Post Office and Civil Service.

By Mr. SIMON (for himself and Mr. GILMAN):

H.J. Res. 243. Joint resolution to authorize and request the President to issue a proclamation designating October 16, 1981 as "World Food Day"; to the Committee on Post Office and Civil Service.

By Mr. MICHEL:

H.J. Res. 244. Joint resolution to authorize and request the President to issue a proclamation designating May 10, 1981, as "Taxpayers Independence Day"; to the Committee on Post Office and Civil Service.

By Mr. MURTHA:

H.J. Res. 245. Joint resolution to authorize the President to proclaim the 22d day of April of each year as Queen Isabella Day; to the Committee on Post Office and Civil Service.

By Mr. CORCORAN (for himself and Mr. LEE):

H. Res. 130. Resolution amending the Rules of the House of Representatives with respect to use of committee funds for travel; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

52. The SPEAKER presented a memorial of the Legislature of the State of Nebraska, relative to deregulation of the price of natural gas; to the Committee on Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 3293. A bill for the relief of Mrs.Viola P. Warbis; to the Committee on the Judiciary.

By Mr. CORRADA:

H.R. 3294. A bill for the relief of Mireille Laffite; to the Committee on the Judiciary.

By Mr. DANIELSON:

H.R. 3295. A bill for the relief of Mrs. Ruth Mitchell; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.R. 3296. A bill for the relief of Simon Marriott; to the Committee on the Judiciary.

By Mr. SHAW:

H.R. 3297. A bill for the relief of Maria de Lourdes Tipan de Brewer; 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. 27: Mr. BLANCHARD, Mrs. BOUQUARD, Mr. COUGHLIN, Mr. DAN DANIEL, Mr. DOUGHERTY, Mr. FRENZEL, Mr. HANSEN of Utah, Mr. JONES of Tennessee, Mr. LEHMAN, Mr. LUJAN, Ms. MIKULSKI, Mr. MOLINARI, Mr. SANTINI, Mr. SHAW, Mr. SOLARZ, Mr. THOMAS, and Mr. WILLIAMS of Ohio.

H.R. 116: Mr. BADHAM, Mr. BARNARD, Mrs. CHISHOLM, Mr. DAN DANIEL, Mr. DE LUGO, Mr. EVANS of Georgia, Mr. LEATH of Texas, Mr. LOTT, Mr. MCDONALD, Mr. MITCHELL of New York, Mr. PANETTA, Mr. ROE, Mr. PARRIS, and Mr. WHITEHURST.

H.R. 119: Mr. MCCLORY.

H.R. 131: Mr. PARRIS.

H.R. 134: Mr. BEVILL and Mr. NICHOLS.

H.R. 135: Mr. CLAUSEN.

H.R. 148: Mr. DASCHLE.

H.R. 149: Mr. TRAXLER.

H.R. 151: Mr. TRAXLER

H.R. 182: Mr. CONABLE.

H.R. 248: Mr. CHENEY, Mr. TRAXLER, and Mr. FORSYTHE.

H.R. 412: Mr. BAILEY of Pennsylvania and Mr. FRANK.

H.R. 654: Mr. FRANK, Mr. HAGEDORN, Mr. WHITTAKER, and Mr. MINETA.

H.R. 741: Mr. GINGRICH.

H.R. 822: Mr. WIRTH.

H.R. 878: Mrs. SCHNEIDER.

H.R. 879: Mr. BUTLER.

H.R. 1177: Mr. CROCKETT, Mr. MICA, Mr. RICHMOND, Mr. DAUB, and Mr. JEFFRIES.

H.R. 1294: Mr. SIMON.

H.R. 1297: Mr. IRELAND, Mr. ARCHER, and Mr. SAM B. HALL, JR.

H.R. 1298: Mr. IRELAND, Mr. ARCHER, and Mr. SAM B. HALL, JR.

H.R. 1300: Mr. JEFFRIES and Mr. HALL of Ohio.

H.R. 1304: Mr. DICKINSON, Mr. ROUSSELOT, Mr. DORNAN of California, Mr. COLLINS of Texas, Mr. GREGG, Mr. LOTT, Mr. PORTER, Mr. CHAPPIE, Mr. BADHAM, and Mr. LAGOMARSINO.

H.R. 1353: Mr. BLANCHARD, Mr. GILMAN, Mr. JACOBS, Mr. LEBOUTILLIER, Mr. MCGRATH, Mr. SIMON, and Mr. WEAVER.

H.R. 1362: Mr. BENEDICT, Mr. JONES of North Carolina, Mr. EDWARDS of California, Mr. PHILLIP BURTON, and Mr. DUNCAN.

H.R. 1507: Mr. CORCORAN, Mr. WEBER of Minnesota, Mr. TAYLOR, Mr. WHITEHURST, Mr. DORGAN of North Dakota, Mr. SCHEUER, Mr. SAWYER, Mr. GLICKMAN, Mrs. BYRON, Mr. EVANS of Georgia, Mr. STANGELAND, Mr. COELHO, Mrs. MARTIN of Illinois, Mr. BARNARD, Mr. BEDELL, Mr. PORTER, Mr. DASCHLE, Mr. TAUKE, Mr. ERDAHL, Mr. GILMAN, Mr. EMERSON, Mr. DAUB, Mr. JAMES K. COYNE, Mr. TRAXLER, Mr. KOGOVSEK, and Mr. WOLPE.

H.R. 1509: Mr. FORD of Michigan, Mr. WIRTH, Mr. FARY, Mr. WILLIAM J. COYNE, and Mr. NEAL.

H.R. 1541: Mr. BOWEN.

H.R. 1720: Mr. WOLPE and Mr. RINALDO.

H.R. 1723: Mr. NEAL.

H.R. 1725: Mr. HAMILTON and Mr. SIMON.

H.R. 1743: Mr. BEDELL and Mr. ROBINSON.

H.R. 1805: Mr. STOKES, Mr. FRANK, Mr. EDGAR, Ms. MIKULSKI, Mr. DOWNEY, Mr. ROYBAL, and Mr. GINGRICH.

H.R. 1817: Mr. SAVAGE, Mr RUSSO, and Mr. OBERSTAR.

H.R. 1852: Mr. COELHO, Mr. GOLDWATER, Mr. WATKINS, and Mr. CHAPPIE.

H.R. 1861: Mr. SCHUMER.

H.R. 1864: Mr. BROWN of California, Mr. GLICKMAN, Mr. MADIGAN, Mr. GOLDWATER, Mr. EVANS of Delaware, Mr. FORD of Michigan, Mr. BENJAMIN, Mr. FRANK, Mr. DORNAN of California, and Mr. SIMON.

H.R. 1918: Mr. BONER of Tennessee, Mr. LEBOUTILLIER, Mr. DECKARD, Mr. MURTHA, Mr. SHAW, Mr. SIMON, Mr. SMITH of New Jersey, and Mr. WALGREN.

H.R. 1978: Mr. BIAGGI, Mr. HIGHTOWER, Mr. NEAL, Mr. PATTERSON, and Mr. GARCIA.

H.R. 2052: Ms. MIKULSKI and Mr. BREAUX.

H.R. 2112: Mr. STARK, Mr. SUNIA, Mr. MILLER of California, Mr. BIAGGI, and Mr. PEPPER.

H.R. 2113: Mr. BEILENSON, Mr. MURPHY, Mr. BARNARD, Mr. PEPPER, Mr. LEHMAN, Mr. FORSYTHE, Mr. GREEN, Mrs. SCHNEIDER, Mr. ANTHONY, and Mr. SIMON.

H.R. 2244: Mr. ENGLISH, Mr. FASCELL, Mr. OBERSTAR, Mr. BEREUTER, Mr. WEBER of Minnesota, Mr. AKAKA, and Mr. CONYERS.

H.R. 2262: Mr. KOGOVSEK and Mr. WOLPE.

H.R. 2384: Mr. BEILENSON, Mr. EDGAR, and Mr. VENTO.

H.R. 2385: Mr. MAZZOLI, Mrs. HECKLER, and Mrs. BOGGS.

H.R. 2390: Mr. BEREUTER.

H.R. 2456: Mr. ROBERT W. DANIEL, JR., Mr. ADDABBO, Mr. YOUNG of Alaska, Mr. HUBBARD, Mr. ZEFERETTI, Mr. DORNAN of California, and Mr. MAVROULES.

H.R. 2472: Mr. OTTINGER, Mr. KILDEE, Mr. FORD of Michigan, and Mr. CONYERS.

H.R. 2474; Mr. SEIBERLING and Mr. CONYERS.

H.R. 2567: Mr. RAILSBACK.

H.R. 2643: Mr. NELSON.

H.R. 2776: Mr. BONIOR of Michigan, Mr. COLLINS of Texas, and Mr. SAVAGE.

H.R. 2879: Mr. TAUZIN.

H.R. 2949: Mr. FORD of Tennessee, Mr. MARRIOTT, Mrs. SNOWE, Mr. MOTTL, Mr. FORSYTHE, Mr. SAWYER, Mr. FIELDS, Mr. FRENZEL, Mr. COLLINS of Texas, Mr. DE LUGO, Mr. LAGOMARSINO, Mr. PASHAYAN, Mr. WYDEN, Mr. GUARINI, Mr. LEBOUTILLIER, Mr. AKAKA, Mr. IRELAND, Mr. ROTH, Mr. HUTTO, Mr. EDGAR, Mr. KRAMER, Mr. GUNDERSON, Mr. SAVAGE, Mr. KOGOVSEK, Mr. SMITH of New Jersey, Mr. COELHO, Mr. ROE, Mr. RICHMOND, and Mr. BENJAMIN.

H.R. 3045: Mr. PERKINS, Mr. FISH, Mr. DAVIS, Mr. FRANK, Mrs. CHISHOLM, Mr. DIXON, Mr. HUBBARD, Mr. SOLARZ, Mr. CORRADA, Mr. AKAKA, Mr. DYMALLY, Mr. WILLIAMS of Montana, Mr. WASHINGTON, Mr. PEPPER, Mr. JAMES K. COYNE, Mr. OTTINGER, Mr. BONIOR of Michigan, Mr. STUDDS, Mr. YATES, Mr. EDWARDS of California, Mr. KOGOVSEK, Mr. SAVAGE, Mr. RODINO, Mr. RAHALL, Mr. BIAGGI, Mr. RATCHFORD, Mr. OBERSTAR, Mr. FORD of Michigan, Mr. BINGHAM, and Mr. KILDEE.

H.R. 3046: Mr. PERKINS, Mr. BEVILL, Mr. MARKEY, Mrs. CHISHOLM, Mr. DIXON, Mr. FISH, Mr. SOLARZ, Mr. YATES, Mr. CORRADA, Mr. DYMALLY, Mr. HORTON, Mr. LUJAN, Mr. EDGAR, Mr. WASHINGTON, Mr. STUDDS, Ms. OAKAR, Mr. MATSUI, Mr. FORD of Michigan, Mr. FRANK, Mr. COELHO, Mr. PEPPER, Mr. SAVAGE, Mr. RODINO, Mr. WILLIAMS of Montana, Mr. ROE, Mr. MOFFETT, Mr. ERDAHL, Mr. BINGHAM, Mr. SUNIA, Mr. CONYERS, Mr. HAMMERSCHMIDT, Mr. KAZEN, Mr. LEHMAN, Mr. MURTHA, Mr. HARKIN, Ms. MIKULSKI, and Mr. ECKHART.

H.R. 3210: Ms. MARTIN of Illinois.

H.R. 3218: Mr. BRODHEAD.

H.J. Res. 227: Mr. RICHMOND.

H.J. Res. 230: Mr. WALGREN and Mr. WOLPE.

H.J. Res. 234: Mr. FRANK, Mr. VENTO, and Ms. FERRARO.

H. Con. Res. 27: Mr. REGULA, Mr. WOLPE, and Mr. LEBOUTILLIER.

H. Res. 126: Mr. FOGLIETTA, Mr. CLAY, Mr. LOWRY of Washington, Mr. EDGAR, and Mr. LELAND.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

65. By Mr. KAZEN: Petition of George T. Knoblauch, San Antonio, Tex., relative to redress of grievances; to the Committee on the Judiciary.

66. By the SPEAKER: Petition of the Erie County Legislature, New York relative to petroleum pricing; to the Committee on Energy and Commerce.

67. Also, petition of the Board of Directors, American Association of Meat Processors, Elizabethtown, Pa., relative to support of the Reagan administration's economic program; jointly, to the Committees on Government Operations and Ways and Means.

68. Also, petition of the board of directors, Health Industry Manufacturers Association, Washington, D.C., relative to support of the President's economic, regulatory, and defense programs; jointly, to the Committees on Government Operations, Ways and Means, and Armed Services.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. CON. RES. 115

By Mr. OTTINGER:

—Page 6, line 4, strike out "$688,950,000,000" and insert in lieu thereof "$691,860,000,000".

Page 6, line 6, strike out "$30,450,000,000" and insert in lieu thereof "$27,540,000,000".

Page 6, line 13, strike out "−$25,600,000,000" and insert in lieu thereof "−$22,690,000,000".

Page 6, line 15, strike out "$1,060,000,000,000" and insert in lieu thereof "$1,057,090,000,000".

Page 6, line 17, strike out "$65,900,000,000" and insert in lieu thereof "$62,990,000,000".

Page 15, line 12, strike out "$778,250,000,000" and insert in lieu thereof "$781,556,000,000".

Page 15, line 13, strike out "$864,850,000,000" and insert in lieu thereof "$868,552,000,000".

Page 15, line 15, strike out "or decreased".

Page 15, line 17, strike out "$000,000,000,000" and insert in lieu thereof "$3,306,000,000".

Page 15, line 18, strike out "$000,000,000,000" and insert in lieu thereof "$3,702,000,000".

Page 16, line 2, strike out "or deficit".

Page 16, line 5, strike out "−$1,250,000,000" and insert in lieu thereof "$2,056,000,000".

Page 16, line 6, strike out "+$25,800,000,000" and insert in lieu thereof "$29,502,000,000".

Page 16, line 9, strike out "$1,094,850,000,000" and insert in lieu thereof "$1,091,544,000,000".

Page 16, line 10, strike out "$1,096,650,000,000" and insert in lieu thereof "$1,092,948,000,000".

Page 16, line 14, strike out "$34,850,000,000" and insert in lieu thereof "$31,544,000,000".

Page 16, line 15, strike out "$1,800,000,000" and insert in lieu thereof "$000,000,000,000".

EXTENSIONS OF REMARKS

THE PERIPHERAL CANAL: A SUBSTITUTE FOR COVERAGE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. MILLER of California. Mr. Speaker, a great debate about water policy is currently raging through the State of California. The subject of the debate is the highly controversial proposal to construct a 43-mile-long Peripheral Canal at a cost of $1.1 billion.

Despite a tremendous campaign by big water users, opinion in the State—both north and south—is beginning to turn against this very unwise project, which will be the subject of a referendum within the next year.

I was recently asked to address the water section of the Commonwealth Club of California on the subject of the Peripheral Canal and the future of the California water program. This is not simply a California issue, I should point out. Although there is absolutely no authorization for the Federal Government to participate in the planning, construction, or operation of the Peripheral Canal, and despite the Governor's declarations that the people of California alone will carry the enormous financial burden of its development, I do not doubt that efforts will be made to have the taxpayers of the United States assume a substantial amount of the cost of this supremely unwise project.

As a result, I hope that every Member of Congress reviews this speech.

THE PERIPHERAL CANAL AND THE FUTURE OF THE CALIFORNIA WATER PROGRAM

(By Congressman GEORGE MILLER)

The people of California stand today at a moment of truth in the long water policy debate in this State. Within the next few months, voters will have to make a decision which will have the most profound impact on the future of California—whether to build the 43 mile, billion dollar Peripheral Canal.

It is also a moment of truth for those who would presume to lead the people of California. I consider it an outrage that the State's two highest elected officials, Governor Brown and Lieutenant Governor Curb—both of whom are seeking even higher office—have refused to take a stand on the most critical resource and fiscal issue to come before this State during the remainder of this century.

And I consider it unbelievable that the people of this State or the press would allow anyone with pretensions to high office to remain silent on this question.

If these "leaders" withdraw from the public debate, then I believe that they forfeit their claim to political leadership in California.

But I think we know why Mr. Brown and Mr. Curb have decided to sit this one out. It is because they have studied the Peripheral Canal proposal, its enormous cost and its great destructive potential, and they know that it is an unacceptable idea. They know that their continued public advocacy of such a flawed plan would undermine their credibility throughout this state—north, south, and Central Valley.

In my own mind, the choice is clear. We can build the canal and in doing so, perpetuate the mistakes of the past and establish them as the policy of the future.

Or we can reject the canal and use our past errors to build a new water policy free of those mistakes and that greed.

We must discard the myths of the 1930's and the 1940's, when the water project was conceived.

We must reject the errors of the 1950's and 1960's, when it was constructed.

We must abandon the operational abuse and fiscal mis-management which have beset the project in the 1970's and 1980's.

And we must have the courage to ask some very tough questions which have been avoided for so many years.

Twenty years ago when the State began planning its water project, Harvey O. Banks, the chief advocate of the plan used to say, "We must build [now] and ask questions later."

Well, later is now, and the questions must be asked before we begin a new round of building which will cost taxpayers billions of dollars but still not solve the real water crisis in this State.

(1) Why should millions of people in the Bay Area yield to the demands of water users in the south who have never controlled their water consumption?

(2) Why have the people of California spent $2 billion on projects to correct groundwater overdrafting only to find the groundwater problem worse today than ever?

(3) Why is our dwindling water being used to irrigate tens of thousands of acres of marginal land, much of it lying outside authorized water service areas?

(4) Why are we using taxpayer-subsidized water to grow oranges and other crops which are systematically destroyed in order to drive up food prices to consumers?

(5) Why should we expand the water delivery system, at a cost of perhaps $20 billion or more, when the major water beneficiaries, the agricultural interests who consume 85 percent of our water, stubbornly refuse to conserve?

(6) How can we pretend to "build for the future" by expanding an inefficient water system based on cheap energy and cheap water, neither of which exists any longer?

(7) And finally, why should northern Californians, who voluntarily conserved 25 percent to 30 percent of their water during the 1977 drought, jeopardize their own fresh water to accommodate Los Angeles, where a court order was required to achieve a modest 10 percent reduction?

We are forced to ask these embarrassing questions at this late date not because of the physical inadequacy of the project, but because of the poor planning, exorbitant subsidies, and chaotic management which have been the cornerstones of water policy. And the Peripheral Canal will not solve those problems. In fact the Rand Corporation recently concluded that the canal will magnify the misuse of water in California. Even its supporters admit that the canal would be obsolete almost as soon as it was built.

We can never really answer those questions, and we can never change that misguided policy, unless we stop running our water program as we have for the past 50 years and instead adopt sound management practices which serve the best interests of all the people of California.

We all know that there are special interests who don't want those questions asked and who fear the answers.

And what is their answer to our water problem? Build the billion-dollar Peripheral Canal, which could reduce delta outflow from 18 million to less than 1½ million acre-feet a year. The result would be even more water for special interests, for the agribusinesses and the oil companies which already use billions of dollars of taxpayer-subsidized water.

But the answer would be disaster for the rest of our State.

Disaster for Bay Area industry, which already must periodically shut down and lay off thousands of workers because vital water supplies are polluted.

Disaster for fish and wildlife, which are beginning to return after years of effort to clean up the bay.

Disaster for our cities, which have spent billions of dollars to upgrade their sewage treatment plants only to face the cutoff of outflow which is essential to flush out the bay.

Disaster for millions of people who have no other source for their drinking water.

Disaster for agriculture in the delta which produces hundreds of millions of dollars in food every year.

Now, supporters of the canal shake their heads and say, "That won't happen."

They say, "We will protect the delta." But we recall 40 years of actions which have betrayed those promises.

They point to "protections" in proposition 8 and the Delta Protection Act. But as the son of the author of that landmark law, I have spent a lifetime watching the powerful water interests of California chip away at those protections. Those same interests have already introduced legislation and filed lawsuits to overturn proposition 8 and the protection of the northern rivers.

They refused to include conservation mandates or groundwater controls in the Peripheral Canal legislation. And today, there is nothing in that law which would require an irrigator to save a glassful of water, or to reduce groundwater overpumping by a bucketful, even in the worst of droughts.

I don't call those very good protections. We would do far better to heed the prediction of the metropolitan water district official who has confessed that "if the water was really needed, the votes could be easily obtained" to discard delta protections and

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

to discard conservation mandates and wild river guarantees.

We have an administration in Washington which likes to measure "benefits" and "costs." Let us apply that criteria to the Peripheral Canal proposal.

We know who will benefit from the Peripheral Canal: The same interests who have long abused the water program

Those who refuse to conserve;

Those who refuse to pay their fair share;

Those who pass along the costs to the taxpayers;

Those who have failed to utilize state-of-the-art technology to manage their resources;

The banking interests, the railroads, the agribusinesses, and the oil companies.

They are the same groups who regularly file into my office to lobby for deregulation of industry while, at the same time, they wallow in billions of dollars in Federal subsidies courtesy of the taxpayer.

And who must endure the costs of this project?

The costs will be paid by the power users, whose electricity bills are skyrocketing. When the water project was designed, it cost $10 to pump an acre-foot of water to Los Angeles; today, it costs $200.

The costs will be paid by Bay Area industry, which will be crippled by the worsening of water quality, and by the air pollution from new power plants which will be built to pump our water to southern California.

The costs will be paid by the construction workers and the wishful homeowners when the housing bond market is halted because of the drain of financing the canal. Just a few months ago, $100 million in water bonds were withdrawn from the market because they were undermining housing bonds, and the Peripheral Canal would require more than ten times that much financing.

The costs will be paid by the fishing and recreational industries of northern California whose resources will be sucked away into the Peripheral Canal. We should remember the warning of the regional director of the U.S. Fish and Wildlife Service who predicted, "On the day that construction is started for a Peripheral Canal, that's the day you can say goodbye to the Upper Sacramento and Eel Rivers."

And a tremendous burden of the cost will be paid, ironically, by the very people whose alleged representatives are lobbying hardest for the canal—the water users of southern California's cities whose water costs will increase by 900 percent.

Even the deputy director of the State department of water resources has admitted that "The financing of it is almost solely upon the urban sector," not on the agricultural users who consume most of the water. They know that urban users consume only 7 percent of the Met's water, but pay 33 percent of its costs in order to underwrite the subsidized water showered on agribusinesses.

We have long argued that the Peripheral Canal makes no sense for northern California. But the fact is that the Peripheral Canal makes no sense for southern California either. Building the canal in the face of these problems would not provide a solution. Instead, it would be a substitute for the political courage we must exercise in order to do what is rational, feasible, and fiscally sound. There are cheaper and less controversial alternatives available:

(1) Relocate the Contra Costa Canal intake at a cost of about $50 million, producing 200,000 acre-feet of water—the equivalent of the canal—with no negative effects and at 29 times less cost. My bill to begin planning this relocation became law last year.

(2) Begin feasibility studies of additional storage facilities which will not destroy the northern rivers or the delta. My bill also authorized studies of an enlarged Shasta Dam and the Los Vaqueros Reservoir. Together, these projects would not only provide for L.A.'s expected needs, but those of East Bay M.U.D., delta users, and valley growers.

(3) Mandate serious water conservation as a precondition for new projects and additional water sales.

The U.S. General Accounting Office advised Congress to withhold approval of new projects "until a report is made on the prospects . . . of satisfying existing shortages . . . by water-saving practices." We should recall that efforts to include serious conservation mandates in S.B. 200 were vehemently resisted by the water fraternity and quickly dropped despite the Governor's promise to oppose any legislation which did not include these provisions.

The conservation potential in California is fantastic. The Federal Western Water System loses the equivalent of the total yield of California's rivers and streams each year—32 million acre-feet—due to unlined facilities. Five years ago, the Interior Department recommended that water transportation facilities be lined or enclosed to reduce waste; but the $1.1 billion Peripheral Canal would be unlined, the most inefficient water transportation method ever devised. Even D.W.R. admits there is 500,000 to 800,000 acre-feet of water wasted every year in the Central Valley, and another 1 or 2 million acre-feet could be saved in urban areas.

Other water-short countries do require efficient irrigation methods. Israel grows as much produce per acre on worse quality land as we in California with half as much water. We should emulate that example, not just admire it.

(4) Control of groundwater pumping. The $3.5 billion water project was designed to relieve groundwater depletion. Yet, forty years later, California was overdrafting more groundwater than before the project was built—2½ million acre-feet in 1980 alone. The General Accounting Office has predicted that continued overdrafting will result in "local recession [and] economic and social dislocation."

Other States including Florida, New Mexico, Colorado and Arizona have passed laws to correct groundwater basin depletion. But California's valley irrigators rule out such a law, calling it "the equivalent of World War IV."

(5) Restrict the irrigation of marginal land which uses large volumes of water for cultivation and leaching. Valley growers want to bring an additional 200,000 acres of admittedly "marginal and mediocre" land into irrigation with water from the Peripheral Canal. They also want to build a billion dollar drain to pour the valley's salt and chemical wastes back into the delta and bay.

(6) Perhaps most importantly, we must eliminate many billions of dollars in agricultural water subsidies which encourage the profligate misuse of our limited water resources. Many of the recipients of this water are not small, struggling family farmers, but some of the wealthiest corporations, oil companies, and agribusinesses in this country, and they can afford to pay a fair price to the taxpayer for the water.

Studies have shown that many farmers repay far less than half the cost of their water, and that some repay as little as 15 percent. The General Accounting Office recently revealed that some new, extremely expensive water projects will provide irrigators with water at less than 5 percent of the real cost! The rest is paid by utility users, municipal and industrial customers, and the taxpayer.

One example best illustrates the case. The Westlands Water District, the biggest reclamation unit in the country, has a contract for nearly 1 million acre-feet of Federal water at a price of $7.50 an acre-foot. The price was calculated in 1955, and the contract runs out in 2007! The minimum subsidy to that very profitable district just from 1981 through 2007 is a minimum of a quarter of a billion dollars, and probably much more.

Would we sell any other public resource so irresponsibly? If market price is good policy for the oil companies when they sell us gas, why isn't full pricing a sound idea for the water we sell to the oil companies and other large consumers?

Like energy, water is responsive to price. At $1 to $3 an acre-foot, water is used at only 40 percent efficiency. Efficient use increases by 50 percent at a price of $10. Realistic water pricing would not impose an undue hardship on farmers. In fact, State water project customers pay triple the amount their neighbors pay for C.V.P. water. But they both get the same price when they take their crop to market.

In fact, according to a recent report by the Department of Agriculture, higher prices mean not only a better return to the public for its resources, but higher efficiency and bigger profits for farmers, too.

I have introduced the Water Pricing Reform Act, H.R. 2606, which will end the unreasonable water subsidies which encourage this misuse and will require the kind of sound management practices any responsible businessman would insist upon in selling a product. Enactment of my bill will not only mean more income to the public; it will mean more water for all potential users in this State.

Remember the water planner's word in 1960: "Ask questions later."

Later is now, except in the world of water politics.

Later is now, for power users and industry, for construction workers and homeseekers, for workers and fishermen, for our Bay Area cities, for the delta farmers, for the fish and wildlife and for future generations who should be able to enjoy this heritage.

Properly managed and efficiently used, California's water resources are plentiful and will nourish our continued growth. If our water is selfishly abused, the agricultural, industrial and recreational needs of our State will wither and stagnate, with or without the Peripheral Canal.

There is a real choice and the time to choose is now. Californians must reject the scare tactics and the greed of the past and insist on the realistic pricing, sound management and efficient use of our water resources. We must reject the enormous financial cost, the regional antagonism and the waste of our resources which will surely result from the Peripheral Canal.●

ENOUGH IS ENOUGH

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. STOKES. Mr. Speaker, the budget slashing fever literally has engulfed Capitol Hill to the point where numbers have become the most important thing to many of my colleagues and the people those numbers affect are now irrelevant.

Concern for the quality of life of Americans from every corner and class of this Nation is passé. Instead, obsession with budget slashing and ending actual or contrived waste, fraud, and abuse in Federal agencies, particularly in those that administer social programs, with one giant swing of the pen is the most "in" and politically safest thing to do.

When the poor and disadvantaged ask why this abandonment has taken place, inadequate and nebulous phrases like "the buck stops here" or "enough is enough" are substituted for the lack of rational answers. These phrases have become the anthem for the budget slashing hysteria. Accordingly, administration officials, in general, and David Stockman, in particular, recklessly use these phrases as an argument in favor of their massive budget cuts to programs for the poor and disadvantaged in this Nation.

As you and my colleagues well know, Mr. Speaker, I am drastically and vehemently opposed to this callous approach to the budget. I have always subscribed to the philosophy that people are the most important resource that we have. Our Government is here to serve the people and not to become subservient to numbers and twisted priorities.

But, Mr. Speaker, let us go past my objections to the actual budget cuts and focus on the inequities embedded in the ever surfacing administration line that "enough is enough."

You hear this form response when questions are asked about cuts to social programs. The same response is almost deafening when the 25-percent cut to public education is mentioned. The excuse is used to rationalize devastating cuts to the CETA program, to the Community Services Administration and to the Economic Development Administration. In other words, Mr. Speaker, "enough is enough" is the lead phrase when programs for the poor and always politically voiceless are raised above a whisper.

Now, I pause at this juncture to ask if we should assume the continual usage of the phrase means that the poor and those served by social programs have been helped enough? Or, Mr. Speaker, can we safely assume that the battle cry for the Reagan administration "enough is enough" pertains to other programs just as it does to social programs.

Well, from my vantagepoint, the administration seems to be saying that the poor have been helped enough. Second, Mr. Speaker, they seem to imply that the battle cry does not apply to programs which affect others higher on the economic ladder.

For example, Mr. Speaker, the battle cry, "enough is enough" vanishes when programs like the one to reimburse expenses in addition to pensions to former Presidents comes up. There are obvious cases of waste of Federal funds in this category. But, Mr. Stockman has not chosen to make drastic cuts in this area. This is one of only many such examples.

Mr. Speaker, it seems that we have a double standard when it comes to waste and spending cuts for the political giants versus the political dwarfs. It needs to be corrected. It also is certainly something we need to think about especially before many of my colleagues grasp the phrase for inclusion in their floor speeches about the need to cut various programs because of waste, fraud and abuse.

Mr. Speaker, I have come across an exceptional article which appeared in the Cleveland Plain Dealer on this issue. At this time, I would like to insert it in the RECORD.

ENOUGH IS ENOUGH, RIGHT MR. STOCKMAN?

(By Don Bauer)

Hey, Mr. Stockman! I saw you on TV and I'm impressed. You mean it, don't you? You're going to cut government spending and you don't care whom it hurts, or how much it hurts.

Are you taking suggestions? If so, I know where you can cut the federal budget by over a million dollars per year without taking food out of anyone's mouth or inviting the wrath of environmentalists, militarists or veterans' groups. Sen. Metzenbaum will love you for it, and some of your detractors will get the idea that you really ARE interested in cutting waste—even if it affects rich people.

My suggestion: Take away the pads of blank checks now in the hands of our former presidents—the three millionaires who will each bill us over $340,000 in expenses in 1981.

You've read about some of the things they spend our money on, I'm sure: $1,500 for duplicating photos of Richard Nixon; $525 for the rental of a Thunderbird so Ford's staff could get to Vail, Colo., in comfort; $480 for newspaper and magazine subscriptions for Nixon; $100 per month for watering plants in Ford's private office. Things like that.

Not a lot of money by federal standards maybe, but to a guy making $500 per week—which comes to $26,000 a year—it could be a mite discouraging to learn that Ford's telephone budget equals about 1¼ times that: $35,000! And Ford doesn't even work for the Government. He retired over five years ago.

What would he cost us if he worked?

I'm glad you came along, Mr. Stockman, to stop such foolishness. I am confident that as you cut subsidies for public transportation you will insist that Ford find another way to pay for the transportation of his aides to a ski resort. There is no doubt in my mind that as you reduce welfare payments you are going to inform our former presidents that they will have to pay for their own car washes from now on.

You will probably even tell Nixon that he'll have to pay for his own golf cart repairs too, 'cause you're serious. You mean business!

Fortunately, you are not alone in your struggle for fiscal responsibility. Rep. Andrew Jacobs, D-Ind., is on your side. He recently introduced a bill that would end the worst excesses of our ex-presidents.

H.R. Bill 878 is titled the Former Presidential Enough Is Enough and Taxpayer's Relief Act of 1981. It is a model of simplicity. You'll love it. It reads—in full:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the total annual government expenditures for the care and feeding of a former president, excepting reasonable Secret Service protection, shall not exceed 10 times the poverty level income for one urban family of four."

By current standards, Mr. Stockman, that would come to about $74,000 per year—or $1,423 a week. If our three ex-presidents actually did any work, this would mean they would be paid about $35.57 an hour for a 40-hour week. But they do no work, so the computation must be adjusted accordingly.

Since they do no work 24 hours per day, 365 days per year, Jacobs' bill would permit them to earn $8.47 for every hour that they exist!

If you don't think our ex-presidents can survive on that, Mr. Stockman, there is something drastically wrong with your other cuts.●

YOUTH SKILLS ACT

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. PURSELL. Mr. Speaker, I am pleased to introduce a bill that, while cognizant of the new emphasis of fiscal integrity of the Federal Government and greater local and State responsibilities, stresses the old values of hard work and skill development for individual success in today's marketplace.

This bill, to be known as the Youth Skills Act of 1981, will provide traditionally hard to employ youth the opportunity to acquire the proper motivation and abilities for contribution to the economic well-being of their local communities and the Nation. This legislation would make use of such organizations as the opportunities industrialization centers (OIC) and other worthy organizations which have already proved their effectiveness by bringing together young people and the business community to create and fill jobs with a future.

The Youth Skills Act proposes that OIC and other community based organizations with a national scope be eligible for equal consideration under the block grant system and urban industrial zone concepts if and when they are implemented. Further, the legislation stipulates that OIC, along with other worthy groups, also be eligible for subcontracts from contractors receiving Federal funds and/or tax incentives for the expansion of jobs in the private sector through the Departments of Energy, Transportation, Commerce, HUD, Agriculture, and Defense.

Mr. Speaker, OIC, under the superb leadership and vision of Dr. Leon Sullivan, is a shining example of the good these sort of programs can consistantly accomplish. Operating in over 40 States with a staff of 5,000 professionally trained men and women thoroughly familiar with their environments, OIC applies the guiding principle of self-help. In approximately 16 years of existence it has trained 640,000 persons and nearly 80 percent of them have gotten jobs.

Why have OIC and other viable service groups accomplished so much? There are, of course, many good reasons, but prominent among them is the crucial realization that the catalyst for reshaping the attitude of wayward youth and also helping to remedy our present economic woes are not found in larger welfare benefits but in expanding employment situations that promises a career to the individual and a desired service or commodity to the consumer. It is for that reason that the community based associations referred to in the youth act before us sees business as a necessary partner in a common endeavor.

The task to turn the tide of the economy around by lowering inflation and raising the employment percentage is a complex one; one that we must act on soon. Organizations like OIC have been and, with our help, continue to be one of our strongest assets in the attempt. OIC and other groups with a common mission can and will succeed because it can breathe life into statistics, create hope in our children, bring skills to our communities, and add strength to our Nation. Let us make their commitment ours.●

CHIEF ALFRED CORMANN HONORED FOR SERVICE

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. HOLLENBECK. Mr. Speaker, on May 2, American Legion Post 165 is honoring our Secaucus, N.J., police chief. I wish to join the membership of post 165, the Secaucus Police Department, and area residents in paying much-deserved tribute to Chief Alfred Cormann for a job well done.

Chief Cormann joined the Secaucus Police Department in 1965 and rose through the ranks to his present position in February 1980. He has completed Federal, State, and county police administration programs, and he is the recipient of numerous awards for outstanding achievement, including 15 commendations from the town he serves.

He has carried out the tremendous responsibility of protecting the citizens of his community with unwavering commitment and steadfast belief in the dignity of the law. In his career, he has realized the tremendously high standards expected of law enforcement officials by their fellow officers and their communities. And for this dedication, he has earned our sincere gratitude and affection.

I am proud to offer Chief Cormann my congratulations and my very best wishes for continued success in his endeavors on behalf of the town of Secaucus.●

THE REAGAN ENERGY CUTS UNDERMINE NATIONAL SECURITY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. BROWN of California. Mr. Speaker, my comments today are critical of President Reagan's energy budget. It is unfortunate that the budget presented to the Congress is as unacceptable as the one submitted by the Reagan administration, because in spite of its obvious failings, misguided loyalty to the President may actually result in the enactment of this disastrous program.

I will have more to say about specific energy programs later. Today, I simply wish to draw my colleagues' attention to a thoughtful position statement by the National Council of the Federation of American Scientists. I would like to associate myself with this statement, and urge my colleagues to review this material and do likewise.

The statement, "Energy Conservation Cuts Lack Economic and Security Rationale," follows:

[From the F.A.S. Public Interest Report, April 1981]

ENERGY CONSERVATION CUTS LACK ECONOMIC AND SECURITY RATIONALE

A major Achilles heel of this country continues to be our vulnerability to disruptions in supply of foreign oil, which still accounts for 40 percent of our total oil use. Conservation of energy remains a critical element of our security against such disruptions. Indeed, there could be no greater budgetary irony than increasing spending for military efforts to protect Middle Eastern oil supplies while cutting back on domestic conservation efforts to reduce oil dependence on that same area.

In addition, at home, the still-growing share of our Nation's wealth that goes to pay for energy has important implications for our inflation and for our decline in productivity. In both of these matters, using energy more efficiently, and thus using less energy overall, can help.

Under these circumstances, it is a tragic surprise to discover that the proposed federal conservation budget has been cut a whopping 78 percent from about $1 billion to about $200 million—thus to only about $1 per citizen. The Reagan Administration appears to believe that higher energy prices and the invisible hand of the market make federal conservation programs wholly unnecessary. But will they? Will the higher energy prices brought on by decontrol of oil and the anticipated deregulation of natural gas be enough in themselves to stimulate all sectors of the energy-conserving public to conserve as effectively and quickly as our Nation's interests demand? We do not believe they will.

ENERGY MORE VALUABLE THAN ITS PRICE

In the first place, as indicated above, there are national security reasons for valuing energy still more highly than its price and, consequently, for federal encouragement of energy conservation efforts.

Second, even if the true cost of energy were reflected in its price, there are instances in which the market will not work anywhere near as effectively as it might without such encouragement:

In rental housing, which makes up one third of all residential housing, response to rising energy prices is bedeviled by a variety of external factors, including low vacancy rates, rent control laws, lack of information, and, above all, the disjunction between tenants (who generally end up paying the fuel bills and therefore receive the message to conserve) and landlords (who make the capital expenditures for conservation). High energy prices, by themselves, do not solve these problems.

In residential housing and small commercial establishments, many traditional lending institutions are reluctant to make loans for conservation (quite apart from current high interest rates) because the loans are small in size and therefore it is difficult to recover their transaction costs, and because such lending institutions are unfamiliar with the process by which such improvements can be appraised.

In industry many firms will not, by themselves, undertake the research and development they really need to take advantage of new opportunities to reduce energy inefficiencies because, as with R&D generally, their financial interests in the basic research are not sufficiently great to justify its cost.

CONSERVATION NOT INSTANTANEOUS

In the third place, even when the market does succeed in delivering the message to conserve, the response to that message will not be instantaneous. It takes time for energy conservation industries to discover that a market exists for their products and to expand accordingly. And it takes time for the consuming public to find out how best to conserve and to act accordingly. Indeed, it can take years for our economic system to adjust to new market forces. But because a disruption in oil supply from abroad may occur at any time, and because the high price of energy is exacerbating the unhealthy state of our domestic economy, it is very much in our national interest to expedite the adjustment of the market to new circumstances.

Now how can this be done? First, impartial and accurate information should be put into the market place to educate the public about the energy efficiency of its equipment, buildings, and motor vehicles so that it will be able to respond as precisely as possible to energy costs. Such information can only improve the workings of the market and its more rapid adjustment.

Second, for the medium and longer run, there must be sustained federal support for research and development in conservation in order to tap new means of reducing energy waste. The federal government has long supported basic and applied research because the focus of most business and industy is too short-term to concern itself with unpatentable efforts that will bear fruit only years later; research and development in the energy conservation industry is no exception. Indeed, since this latter industry is itself in a State of infancy and thus understandably has very short term preoccupations, it is all the more important for conservation research to be federally supported.

Third, there must an effort to remove the current logjam in financing energy conservation which is impeding its penetration into the marketplace. Traditional lending institutions must be encouraged to offer conservation loans, and at attractive enough terms to make them cost-effective to potential borrowers. And barring success in this area, new, more sympathetic lenders must be encouraged to enter the marketplace. Federal efforts along these lines, which include the Residential Conservation Service and the Solar Energy and Energy Conservation Bank, cannot be abandoned.

SERIOUS SOCIAL DISLOCATION

Fourth, the government must play a role in encouraging energy conservation to mitigate the severe social dislocation that is resulting from rising energy prices. With decontrol of oil and gas, the percentage of income going to pay for energy in low income households is estimated to rise to 30 percent on the average, and to higher than 50 percent in some regions of the country. Such households, which are already finding it difficult just to meet housing and food costs, will not be able to find the capital to invest in conservation improvements to mitigate their rising fuel bills.

Of course, some Reagan strategists have decried a federal role in encouraging energy conservation, even along the lines that have just been outlined, because they believe energy should not be federally subsidized. But the fact is that, with the exception of conservation, the Reagan Administration is subsidizing energy. The nuclear fission budget has been increased 47% to include funding of the Clinch River Breeder Reactor. And unlike the Solar Energy and Energy Conservation Bank, the Administration is not proposing to cut the funding previously appropriated to the Synthetic Fuels Corporation.

There is something about conservation that has drawn special contempt from the Administration, as if it really believed the President's off-hand remark that conservation means "being hot in the summer and cold in the winter." But, in fact, conservation is every bit as worthy of special national efforts—and as relevant to our national security—as the defense budget (increased by 12% or $25.8 billion) or the filling of the strategic oil reserve. It has taken years to develop a national consensus on energy conservation, and to imbed in law methods of complementing the market. It would be both misguided and constitutionally inappropriate to repeal this now-legislated commitment in a three-week budget-cutting review.●

THE 50TH ANNIVERSARY OF THE PARAMOUNT ARTS CENTRE OF AURORA

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. CORCORAN. Mr. Speaker, tomorrow, the Paramount Arts Centre of Aurora, Ill., will achieve a significant milestone in its history when it unveils its fourth season of live entertainment.

In addition, the Paramount in 1981 is marking its 50th anniversary—a celebration that will continue throughout the year.

The Paramount first opened its doors on September 3, 1931 as one of America's great movie palaces. Constructed on a promenade overlooking the Fox River in downtown Aurora, the Paramount's architects incorporated into the building's Art Deco design the style and features of the architectural wonders of Venice. The sheer opulence and grandeur of this theater soon caused people to proclaim it to be "Aurora's most precious jewel."

However, years of neglect left the theater in a serious state of disrepair at the start of the 1970's. It was feared the Paramount would be demolished. But a group of forward looking Aurorans were determined to save this vital piece of the city's heritage. The Aurora Redevelopment Commission purchased the Paramount in 1976 with the intention of completely restoring it to its original appearance to serve as a center for the performing arts. Furthermore, it would be a bold attempt to spark downtown revitalization through the arts.

Under the auspices of the Aurora Civic Center Authority, the Paramount Arts Centre began its new life as a nonprofit theater for live entertainment in April of 1978.

Nearly $3 million was spent to restore the Paramount. Magnificent murals depicting romantic Venetian scenes again graced the walls of the theater. Glittering gold columns reached to the atmospheric blue sky ceiling, surrounding the stylized starburst. From the middle was suspended an Art Deco frosted-glass petal chandelier.

The importance of the Paramount Arts Centre and the restoration effort was recently underscored by its placement on the National Register of Historic Places. Its total restoration serves as an inspiration to other cities throughout the Nation. And it is helping to breathe new life into downtown Aurora.

Today, the Paramount Arts Centre features outstanding live entertainment in the form of Broadway shows, symphonic orchestras, opera, dance, and concerts suited to every taste. And it is making live theater available to the widest number of people through its moderate pricing structure and by working closely with schools, charitable organizations, and community groups.

The Paramount Arts Centre officers and staff under the leadership of executive director Gregory L. Gilmore and the Aurora Civic Center Authority under the leadership of chairman Vernon L. Croxen should be applauded and commended for their commitment to excellence in live entertainment and for their work in restoring the Paramount to a true "living legend."●

DRUG ABUSE AND ALCOHOLISM

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. MOAKLEY. Mr. Speaker, the alarming proportion of budgetary cutbacks proposed by the Reagan administration has compelled me to speak out on an issue of social and medical concern which should not need a spokesman; namely drug abuse and alcoholism. The fact that these issues fade into the background in the presence of world affairs does not diminish the severity nor the prevalence of these diseases upon society.

Drug addiction and alcoholism destroy a human being as effectively as any cancer, leaving behind ruined people bereft of soul and personality. These social diseases can be combated successfully, as has been pointed out to us in countless and invaluable programs and studies. I strongly feel that a rescission of necessary funding to the drug abuse and alcoholism programs will cause needless and irreparable damage to society at large, as well as to the individuals directly effected. During these times of economic duress, can we afford to burden ourselves down by allowing more people to become an uncontributable factor of society? These people afflicted by alcoholism and drug addiction are beyond the point of being able to help themselves. Consequently, in abdicating all responsibility to this minority, the proportion of people stricken by these social diseases will increase to a precipitous level.

One cannot decide the value of a program merely on the point of immediate cost-effectiveness. The people aided by drug abuse and alcoholism programs are given the initiative to participate once again in society and therefore will no longer be dependent on society. The redirection on life that these people are given is a commend-able asset to these programs. With undeniable success in these areas, I do not comprehend the philosophy behind disbanding such programs.

Massachusetts is one of the leading States in treating drug abuse and alcoholism. Many excellent programs that have proven their effectiveness will be seriously damaged by reductions, or worse yet, elimination of these vital Federal funds. I do not believe that it can be justified that those people designated to be effected by a rescission of funds are those individuals who have already relinquished so much. I would greatly appreciate your reconsideration of some of these valuable programs that are now being placed in such a precarious position.

The most important facet of this entire issue is the personal element involved. I would like to share with you a letter sent to me by a young woman in my district and her appeal for alcohol and drug abuse treatment centers based on her own personal experience.

DEAR CONGRESSMAN MOAKLEY: The drastic cutbacks in funding for community and social services has prompted me to write to you.

I am a drug addict and alcoholic and a client of the Outreach Program of Women, Incorporated, a halfway house for the treatment of women recovering from alcohol and drug addiction.

I came into their recently-developed Outreach Program at the end of October of last year and I feel they are responsible for helping me to save my life. My life as a drug addict and alcoholic had led me to total despair and isolation and had brought me very close to seriously harming myself and others. I had put my life and the lives of others in jeopardy many times. Through my addictions and my self-hate and my twisted struggle to survive I had done many things I would not do today. I had lost almost all hope by the time I reached the doors of Women, Inc.

I have seen many psychiatrists, psychologists and therapists in my life but none had been able to help me. The issue of drugs and alcohol had never been mentioned and was never dealt with. When I got to Women, Inc., I thought they would send me away, would tell me I was crazy and to go see a psychiatrist.

But they didn't do this. They told me there was hope for me, they told me and showed me I am a worthwhile human being with a life to really live. They explained to me that an addictive personality is, what addictions do to a person and make that person do. They told me that overcoming my addictions will be the hardest thing I've ever done but that others have done it and I can do it, too. They did not reject me, and most and best of all they understand me as no one else in my entire life ever has.

The women there—the staff and the residents—are tremendous powers of example to me. The counselors I see there are daily, living proof to me that I can make it in this life without drugs and alcohol. I have regular appointments there three times a week and am in constant communication with them. They are always there for me in some way when I am in crisis and need them. The program is helping me to accept who I am, to be free from shame, to be free from dependencies on drugs, alcohol, people, places and thing. They are helping me overcome my panic at my feelings which used to lead me to a drink or a drug. My counsellor had me go to Alcoholics Anonymous and I am now a member and that helps me tremendously.

But my main strength comes from the women and the program of Women, Inc. Right now, they mean the difference between life and death to me. If this program were to close I would look for another drug program. But if none were available to me due to closing or lack of funds to provide space for me there is no doubt in my mind that I would be in serious trouble, perhaps back where I was, virtually on the streets and using drugs.

Being an addict and an alcoholic was never something I had planned for myself. I had a lot of advantages in my life, including a year of college. I am intelligent and now have a desire to be a useful member of society intead of an outcast and a renegade. I need Women, Inc. to help me and show me how. I do not have the words to say how important they are to me, both for myself and for others like me who are there now and who will follow.

Please do all you can to see that Women, Inc. and other programs like it are able to remain open and functioning at their fullest capacity. The abuse of alcohol and other drugs has reached proportions it has never before, and it is on the rise. We need these programs more than ever before and I believe if they suffer, so will society at large. More people will become lifelong victims of addiction and will thereby make victims of non-addicts as well. It is really a life-threatening situation in every sense of the phrase.

Very Sincerely Yours,

LINDA J.,
Jamaica Plain, Mass.●

IN MEMORY OF JOE LOUIS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. RODINO. Mr. Speaker, I want to pay tribute to America's beloved Joe Louis who died on April 12, 1981. Joe Louis, one of the greatest boxing champions of all time, was much more than the master of the boxing ring. He was a champion of his people, the American people of every color and race. He was a champion of the American dream.

The son of a poor Alabama sharecropper, he triumphed over poverty and oppression to become an American folk hero. The "Brown Bomber", as Joe Louis was affectionately known, played a prominent role in 20th century social history. His rise to the top of the boxing world gave encouragement and hope to all disadvantaged and minority Americans, especially blacks. With every victory, Joe Louis lifted their morale and spirit.

Louis once remarked, "some folks shout, some holler, some march, and some don't. They do it their way. I do it mine." And so he did. Using his legendary power, Louis shattered stereotypes and oppressive social barriers. His courage and candor opened the door for future pioneers like Jackie Robinson and Arthur Ashe.

This giant of a man instilled pride in all Americans at a crucial time in our history. As tensions mounted between the United States and Nazi Germany in 1938, Joe Louis dispelled in one round the myth of Hitler's "paragon of Teutonic manhood"—knocking out Max Schmeling.

When America needed him most, Joe Louis gave generously of his physical and moral strength. By the end of his military service he had fought 96 boxing exhibitions, entertaining some 2 million American troops all over the world. "I ain't fighting for nothing," he once said. "I'm fighting for my country."

Mr. Speaker, I will remember Joe Louis' simple dignity, honesty, and compassion. His life remains an example for us and for our children. As one prominent sportswriter of Joe Louis' era once wrote of him, "He is a credit to his race—the human race."●

AN ALTERNATIVE INDIVIDUAL AND BUSINESS TAX AND REINDUSTRIALIZATION PLAN

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. GUARINI. Mr. Speaker, on April 10 I introduced H.R. 3218, legislation to begin the task of revitalizing our economy and providing for long-term economic stabilization. The bill, which is cosponsored by Representative BRODHEAD, is a $30 billion program targeting $14 billion in tax and nontax relief to the business sector and $16 billion in tax relief to individuals. This two part plan is an alternative individual and business tax cut which would be more fair, less costly, and less inflationary than that advanced by the administration.

Title I of H.R. 3218 established a Reconstruction Finance Corporation to invest both public and private funds and guaranteed loans to help strengthen the Nation's industrial base. Title II contains an alternative to the proposed cuts in Federal income taxes. Under this bill workers would have 20 percent of their social security tax refunded to them through a tax credit. Employers would benefit by receiving a 5-percent credit for their share of the payroll tax.

The idea for a Reconstruction Finance Corporation is not a new one. We have turned to a Reconstruction Finance Corporation in the past. During our darkest period, the Great Depression, legislation creating a RFC was signed into law. The RFC helped boost American productivity and employment for nearly two decades. Its service in helping industries convert to a war footing at the beginning of the 1940's is well documented.

The original RFC was created to help reduce unemployment, stabilize prices, and encourage economic growth. I am not going to argue that this Nation is in a Great Depression such as we saw in the 1930's. However, no amount of technical statistical data can convince those in our society who are facing economic troubles—whether they be individuals about to lose their jobs or homes, businesses about to go under, or cities on the verge of bankruptcy—that the situation is not every bit as grim as what we faced in the 1930's. As a nation we are faced with high inflation and high unemployment at the same time. On top of this there have been no clear growth signs in productivity, gross national product, and capital formation.

The above are recognizable categories describing our economic standing. However, we have begun to understand that our present economic plight cannot be understood simply by looking at statistics. There has been a serious deterioration of our cities, particularly those in the Northeast and Midwest, our industrial society is losing ground to a service oriented economy, and the loss of basic industrial strength bodes poorly for our future defense needs.

To confront these U.S. problems of the 1980's we need to create a Reconstruction Finance Corporation. A Reconstruction Finance Corporation could be geared toward the need of creating a stable economy, with an emphasis on private sector employment, and the need to have all areas of the country to participate in this growth. Basic U.S. industries must be bolstered by an industrial policy committed to making the United States competitive in world markets, and that policy must also have the purpose of advancing all sectors of our economy.

The first goal can be met only if we change our thinking toward our current economic situation. The notion of simply catering to those parts of the economy which are the strongest is shortsighted. Presently, several industries which have been important to our past economic and military defense strength have faced difficult economic circumstances. When these industries are examined in light of our future economic and defense needs, one must ask if our Nation can endure the long-term effects of the present laissez faire governmental philosophy.

The second goal of advancing all sectors of the economy through a restructuring of our industrial policy is endemic to more immediate concerns of our society. We are in a period that has seen great damage done to the American cities—our centers of communications, culture, transportation, finance, and employment. Our cities have faced a decade of outmigration. Population loss has decreased urban tax bases, weakened service delivery infrastructure, and made vast urban areas unattractive to industry. During this same period many urban-based industries began to face the reality of changing economic circumstances without the resources necessary to adapt with the times.

These two developments have created an economic circle of decline that must be broken in a way that addresses long-term American needs. Under these present conditions, establishment of a Reconstruction Finance Corporation would serve as a needed catalyst in reversing present economic trends and spurring economic development. An RFC would provide the equity capital that our older industries need. It would also target investment funds to those areas in serious need of economic revitalization.

Title I of H.R. 3218 creates a Reconstruction Finance Corporation as an independent entity with powers to make investments in industries and in areas that the RFC deems in the national interest. The broad discretionary powers given to the Board of Directors would include both tax subsidies and nontax tools. Tax subsidies at the Board's disposal include investment tax credits, accelerated depreciation, first year present value depreciation, and carry back-carry forward devices. The nontax tools would include the use of loans, loan guarantees, and interest subsidies.

The Corporation is to be administered by a Board consisting of the Secretary of Commerce, the Secretary of Labor, two representatives of business and two representatives of labor organizations. The Board would have a first year authority to allocate $5 billion in tax expenditures, and an additional $5 billion to assist industries that have difficulty in obtaining financing. This would include older industries in need of capital for modernization or expansion, new industries that have difficulty obtaining financing, high-risk industries with growth potential, firms competing with subsidized foreign firms, and industries vital to the United States on national security grounds.

In each case where a firm seeks financing, the RFC staff would have to realistically assess its chances to survive. RFC involvement would not be extended if the industry was found to be in terminal condition. In other cases, RFC involvement would not be extended unless the financial assistance applied for is not otherwise available from private lenders or other Federal agencies. The RFC would also try to target benefits to firms in areas that are economically distressed, based on criteria such as unemployment, poverty, or pending economic instability due to plant closings.

Title II of my bill would provide alternative individual and business tax cuts to those proposed by the administration. For individuals I am proposing a refundable credit equal to 20 percent of a worker's social security payroll tax. This tax relief would also be extended to public and railroad employees not covered by social security through an equalization credit.

I am convinced that this approach targets tax relief more readily to low- and middle-income families who are having extreme difficulty dealing with double-digit inflation. Families with incomes up to $30,000 would receive 60 percent of the benefits under this proposal, while 15 million low-income workers who do not stand to benefit under President Reagan's tax package would also gain some relief.

This tax credit would be worth more to the majority of workers than the Reagan proposal. However, it would cost less because the tax credit would top off at $395 for an individual and $790 for a working couple while the administration's income tax plan would give substantially larger payments to the very affluent and less to the hard pressed low- and middle-income taxpayers.

This Congress has come to realize the importance and the depth of the economic realities facing the United States as we enter the decade of the 1980's. Reindustrialization and capital formation are vital to our Nation's future, and this Congress has the opportunity to begin this revitalization process.

By supporting a Reconstruction Finance Corporation we can offer the businesses of America a flexible tool to foster a fair and efficient growth of our private sector predicated on our own national interests. The AFL-CIO stands firmly behind this legislation, and I am asking you to join with me in sponsoring H.R. 3218 to establish a Reconstruction Finance Corporation and fair and equitable tax relief measures for both individuals and the business community.●

A JOURNEY BACK 250 YEARS INTO THE HISTORY OF BLACK SLAVES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. STOKES. Mr. Speaker, last year, I brought the achievements of nine young black men and women from Oberlin College who traced the underground railroad route used by slaves 420 miles from Kentucky to Oberlin, Ohio, to the attention of my colleagues. The group was reliving the painful but unswerving quest for freedom of their ancestors, black slaves, during the early days of this Nation.

That experience won them accolades from not only every sector of the State of Ohio but from across this Nation.

At that time, Mr. Speaker, I proudly brought their achievement to the attention of this body. In doing so, Mr. Speaker, I noted that young black people like the nine were our greatest resource and our beacon of hope for a better future.

Mr. Speaker, I am proud today to relay to my colleagues that three of the same Oberlin students, Adrian Banks, Lester Barclay, and David Hoard are not resting on their laurels. With the same perseverance that aided them through the 420 mile trek last year, these young people are planning to take another giant step in recapturing the experiences of black slaves in this Nation.

Mr. Speaker, in the summer of 1984, these young people will join 75 students and teachers from around the world who will sail, chained together, in the hulls of two 17th century clipper ships, from Ghana, West Africa. It is estimated that the ships, which will be bound for Brazil and New Orleans, will take about 12 weeks to arrive.

Although the actual trip is a 12-week voyage, it also will be a journey of over 250 years back in time. It will be a memorable as well as mind-boggling experience for the three young people and for Americans as we relive, in vivid terms, the cruelty of slavery. It was this cruelty, Mr. Speaker, which simultaneously physically placed human beings in unmerciful servitude and shackled the human decency and compassion of slave masters and traders. It is an unforgettable part of our history.

When the plans for this journey were first brought to my attention, I reflected on my trip last summer to Gori Island, just off the coast of Senegal in West Africa. The island was one of the major points of departure for the Atlantic slave trade from the early 1600's to the mid-1800's.

As I toured the old passageways to the slave ships, the conflicting emotions of suffering and triumph came to my mind. Mr. Speaker, historians estimate that between one-third and one-half of the slaves who boarded the slave ships bound for America died during the journey. But, regardless of this disturbing statistic, black people survived the animalistic cruelties of slavery, gained freedom and have gone on to make an indelible mark on the history of this Nation.

Therein, Mr. Speaker, lies the significance of the trip of Adrian Banks, David Hoard, Lester Barclay, and their comrades. Last year, in their journey tracing the underground railroad, they rediscovered the bittersweet taste of freedom black slaves dreamed of and were willing to die for.

In 1984, by submitting to similar conditions of bondage, these courageous young people will rediscover the extraordinary foritude and determination to survive that helped the black slaves and descendents through the years in America.

When I think about these young people, I have no doubt that the lessons and virtues of the black slaves in America have been passed down through generations of black Americans. For, Mr. Speaker, the light of courage and respect for freedom that black slaves displayed over 250 years ago today shines as bright as ever in young people like Adrian Banks, David Hoard, and Lester Barclay. I join with the many well-wishers in the State of Ohio and across the Nation as these young people begin to plan their journey.

At this time, I would like to enter an article in the RECORD about the planned trip of these young people.

CLIPPER TO BRING AFRICAN "SLAVES" TO U.S.

(By Jane M. Littleton)

Three Oberlin College students, descendants of African slaves, plan to relive their ancestors' captivity and journey to America.

David Hoard, Lester Barclay and Adrian Banks, who traveled the Underground Railroad with six Oberlin students last year, will join 75 students and teachers from around the world. Sailing from Ghana in West Africa, chained together in the hulls of two 17th century clipper ships. The project is planned for summer 1984.

The journey will take each ship about 12 weeks, with one bound for Brazil and the other for New Orleans.

In January 1980, the Oberlin students walked 420 miles from Kentucky to Oberlin, as had runaway slaves in the 1820's. The group was funded with a $9,378 National Endowment for the Humanities grant. They plan to apply for another grant for the next project.

Hoard, Barclay and Banks have formed a non-profit company, Black Resources Operations Inc., to plan and research the journey and to raise the estimated $1.6 million needed to refurbish the ships and buy equipment.

They said the 1984 project extends the Underground Railroad effort, with a similar purpose—reliving black history.

"We want to emphasize the atrocities of African slave trade. The lowest estimate of slaves dying is 15 million, and the highest is 150 million. It was a black holocaust," said Hoard, a history and government major.

"For those slaves who came to the United States, we are the survivors and descendants and we must understand the tribulations they went through to better understand our situation today."

The plan is for the group to fly to Elmina on the Ghana coast. There they will spend the night in a castle used to hold slaves before they were loaded onto ships bound for the American colonies. The journey begins the next day.

For this crew, the journey will not be as full of pain as it was for the real slaves, but it will be filled with stress and boredom and without 20th-century conveniences. Once a day they will eat a watery mush of oatmeal and grains. They will be unchained one hour a day for exercise, Barclay said. Those who become ill will be removed from the hull, considered dead.

A film crew will be on each ship to record the experience. Each ship will have several psychologists and doctors.

"We want to understand the psychological aspects of being confined and see what happens to the group,"Hoard explained.

Barclay said the journey will be as authentic as possible, but there will be no beatings or torture on board. But, he said, "It will still be a test of our courage."●

CETA CUTS MEAN MORE UNEMPLOYMENT

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mrs. CHISHOLM. Mr. Speaker, the proposed cutbacks and terminations in CETA programs threaten New Yorkers, and especially black New Yorkers, with a virtual avalanche of unemployment.

Eight percent of the city's black labor force would face joblessness; according to the 1981 report—status of black New York—prepared by the New York Urban League.

The report's specifics and statistics are an alarming review of the impact of the President's plans for CETA, and they demonstrate the high cost of abandoning what has been a productive investment in our Nation's human capital.

I urge my colleagues to consider the following excerpt from the report prior to voting on CETA's fate:

There are 140,000 New York citizens enrolled in programs under sponsorship of the Comprehensive Employment and Training Act. Approximately 73,000 of these participants (56%) are black. Forty-eight percent are black adults above the age of 21 and 52 percent are black youth, ages 16 to 21.

The Bureau of Labor Statistics estimates New York City's black labor force as 906,000 persons. If the CETA program is removed from the City, the immediate impact would result in the unemployment of 8 percent of the City's black work force. CETA programs are the largest employers of black youth in New York City, providing 70,000 jobs and training slots.

There is no other program which can fill the void that will be created by the CETA demise. CETA funds the overwhelming majority of the on-the-job training, vocational education, in/out school programs, stipended high school equivalency diploma programs and the classroom training programs in New York City. CETA is also the major funding source for the Skill Training Improvement Program, Youth Community Conservation and Improvement Programs and Youth Employment and Training Programs.

Fifty-nine percent of the disadvantaged youth enrolled in youth training programs are black. Given the school dropout rate of 45 to 50 percent, the loss of CETA would virtually eliminate our communities' capacity to absorb, train and redirect a large segment of our youth. New York City's Department of Employment reports that of the 72,947 blacks enrolled in all CETA programs, from October 1, 1979 to September 30, 1980, 9,328 or 44 percent entered unsubsidized employment. The Vice President's Task Force Report on Youth Employment (January 1980), described the CETA Program, as it relates to blacks, in the following way:

"Black unemployment is primarily due to unavailability of jobs rather than unsuitability for jobs. The lack of jobs is mainly due to racial discrimination, persistent recession and ineffective targeting of federal jobs." The report continues * * * "According to the Labor Department's continuous longitudinal national manpower survey, 50 percent of all blacks were employed one year after CETA; 64 percent almost two-thirds of whites were still working after CETA."

New York City's rate for blacks, employed one-year after CETA, is 65 percent as compared to the national rate for blacks of 50 percent.

In the previous program year, October 1, 1979 to September 30, 1980, the two CETA programs most vulnerable to the Reagan cuts, Title IID and Title VI, served some 30,145 persons. Of this number, 17,740 (59 percent) were black.

Fifty-nine percent or 6,785 of the 11,500 public service employees and 85 percent or 425 of the 500 administrative staff scheduled for termination are black.

Former black CETA participants will find no compensating public or private sponsored vehicle for help once the proposed Reagan CETA cutbacks are accomplished. Because the CETA Program was targeted to disadvantaged poor, the cuts in Medicaid, Food Stamps and more stringent regulations in public welfare will all negatively impact the CETA population.

The immediate resource for the unemployed, the Unemployment Compensation Insurance Program, which is also subject to proposed cuts by the new federal administration, will only provide beneifts for a 13-week period. The basic impact of the Reagan CETA cuts will be to compound the disillusionment of the persons affected and generate more applicants for welfare benefits.●

THE SPORTS ANTITRUST REFORM ACT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. SEIBERLING. Mr. Speaker, I am introducing today the Sports Antitrust Reform Act. This bill has a twofold purpose: To bring professional baseball under the antitrust laws to the same extent that other professional team sports are now subject to those laws, and to prohibit exclusive franchises for most professional team sports except in a home territory containing less than 2 million residents.

The concept of competiton is central to our most basic social and political values. Our economic freedom has always depended on the twin concepts of individual enterprise and the decentralization of economic power, and these require a healthy, competitive market environment. That is why it is difficult to understand why the goals of the Sports Antitrust Reform Act have not been enacted long before now.

The business of professional sports is an aggressive enterprise which generates many millions of dollars of profits for its owners. Does it therefore make any sense to treat professional sports any differently from the way other big business is treated? Of course not, and for that reason I have introduced the Sports Antitrust Reform Act. It would eliminate the special, undeserved treatment which has been afforded professional sports by removing the ability of team owners to exercise some unreasonable monopoly powers.

The first provision has to do with professional baseball. Since 1922, baseball has been given special privilege of an antitrust exemption. But even the originator of that exemption, the Supreme Court, has called it a legal aberration and has repudiated the reasoning behind its 1922 decision. However, resting upon the principle of stare decisis, the Court has refused to overrule the decision, and has called upon Congress to correct this inconsistency.

In 1977, the House Select Committee on Professional Sports made the same recommendation. And the Justice Department, under both President Ford and President Carter, endorsed the idea of removing the exemption. Congress should now take the opportunity to do that. Other pro sports teams beneficially coexist with the antitrust laws, and so can baseball. The beauty of the antitrust laws is that they are sufficiently flexible to account for facts peculiar to specific industries, including the professional sports industry. If certain of pro baseball's features or activities have anticompetitive effects, but on balance do more to promote competition, then a rational application of the antitrust laws under the rule of reason would not disallow such activities.

In addition, the Sports Antitrust Reform Act addresses another monopolistic, anticompetitive practice in professional team sports—the division of markets. Current law enables team owners to veto the entry of a competitive team in the same sport into the same geographic area. To correct this anticompetitive situation, the bill would bar professional sports organizations from claiming exclusive territorial rights within a 75-mile radius except where less than 2 million people reside. This prohibition would facilitate the entry of new teams into professional sports in major urban areas.

There are many cities and regions of the country which are fully capable of supporting more than one team franchise, as a study by economist Roger Noll of the Brookings Institute pointed out. For instance, the Washington-Baltimore area could comfortably support a baseball team in addition to the Orioles, but the owners of the Orioles have the right, pursuant to an agreement with all the other owners of American League baseball teams, to prevent any other American League owner from locating a team here and playing in Washington, D.C. The Sports Antitrust Reform Act would not force a league to grant a second franchise, because important criteria other than city size must be met, for example, existence of a suitable stadium, a strong financial base, a suitable market for expansion and a squad of players. But if the Sports Antitrust Reform Act were passed, and assuming the other criteria were met, Washington would be free to actively seek a baseball franchise, despite the objections of the Orioles. That's what competition is all about.

Passage of the Sports Antitrust Reform Act is desirable for many reasons. It would increase job opportunities for athletes, give rise to more teams for fans to watch, and generate more money for and investment in local communities.●

A REMARKABLE MAN

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. SCHULZE. Mr. Speaker, as the President continues his full recovery, the American public can now fully appreciate the giant who is our leader. During his 10-year race for the Presidency, Ronald Reagan did not cower from the fight. Instead, he pursued with ardor his goal, and as a result emerged victorious from the battle.

Yet the struggle for righteousness did not wane with victory, but rather is continued with even more fervor than before. His first 100 days have confirmed his commitment to reducing the Federal budget while at the same time eliminating the burden of overtaxation. Although the assassination attempt has impeded his physical capabilities, his philosophical dedication remains unscathed.

And so, as the House begins the first major debate on Mr. Reagan's program, I submit to the RECORD and article recently published in the Wall Street Journal by Mr. Vermont Royster, in which he praises the courage of President Reagan. In the closing statement of this testimonial, Mr. Royster applauds the humanity of this man who, through recent trials and tribulations, has been transformed into a true hero.

He is indeed a President to make us all proud.

[From the Wall Street Journal]

PRESIDENT REAGAN: A REMARKABLE MAN

(By Vermont Royster)

Ronald Reagan continues to confound all who watch him, friends or critics.

The events of Monday were but the latest example, impressive though that was. Here was a 70-year-old man with a bullet in his lung, walking under his own steam from car to hospital emergency room. There he underwent more than two hours of emergency surgery and emerged from it in a condition that would have been remarkable for one half his age. Even the doctors who attended him were astonished at the stability of his vital functions, presaging a rapid recovery. One of them noted that his "physiological age" belied the calendar.

So much for those who feared he might be too old for the presidency. His foes tried to make his age a major issue in the campaign, his friends and supporters were nervous that he might not be physically up to the demands of the presidency. We are not likely to hear of that again any time soon.

Mr. Reagan is the fifth U.S. President to be the target of an assassination attempt in this century, beginning with McKinley in 1901 and running through the two attempts on Gerald Ford. Just why this should be so in this country, of all countries, must remain a puzzle. The targeted Presidents have been both Democratic and Republican; except for the Puerto Rican gang attempt on President Truman, all the attempts seem to have been the work of isolated gunmen. Not organized terrorists, just individual madmen.

What is unusual in the Reagan case is that he is the first President-in-office to be actually shot and to recover. Teddy Roosevelt, who was wounded in 1912 and also recovered, was then several years out of office. McKinley died within a few days of being shot, John Kennedy within a matter of minutes. All the others escaped.

That Mr. Reagan survived is due both to his own efforts to keep his body in good shape and to sheer luck that the bullet didn't hit three inches closer to his heart. In many ways that's the story of his life, a combination of foresight and fortune.

Ronald Reagan was elected President in 1980 because, in large measure, the times were right for him. He had been standing in the presidential wings since 1966 when to everyone's surprise he was elected governor of California. But not until last year had disillusionment with a generation of liberal Democratic policies shifted the public mood enough to make Reagan a strong presidential possibility. Before that he couldn't even win the Republican nomination.

But when the tide of fortune turned Mr. Reagan was ready to greet it. What the voters had come to feel about the state of the country, and what ought to be done about it, he had felt for a long time and he was able to articulate the people's feelings.

Indeed, for a politician, President Reagan has been remarkably consistent in his political advocacy. Ten years ago while still governor of California, he would express to any visiting journalist essentially the same thoughts, frequently using the same words and homely parables, that he used so skillfully in his successful campaign. He did not have to change his rhetoric to fit a new political mood. He waited patiently until the public mood matched his own.

Since his election his consistency of thought and action have been equally remarkable. Every new President in the past quarter century, seeking the office, has talked of reducing government spending with a balanced budget promised in the near future, and of cutting the people's taxes. To everyone's astonishment President Reagan from his first day in office actually set out to do what he said he would do.

What's more, he seems to have thus far carried the people with him, in defiance of the conventional wisdom that cutting the government's budget is politically impossible. At least, his friends have been surprised, his foes confounded.

President Reagan is no deep philosopher or intellectual giant. What President of our times has been? But he has proved more than a match for the intellectual snobs who have sneered because he was once a movie actor and scoffed at his use of the copybook maxims. What has been overlooked is that this man has lived a long and varied life, and somewhere along the way found out who he is, what he thinks and why he thinks it. That's a rare thing for any man.

Two small incidents from Monday: When Mrs. Reagan rushed to the hospital and asked him what had happened, he replied, "I forgot to duck." And as he was wheeled into the operating room he looked up at the surgical team and remarked, "I hope you are all Republicans."

One-liners, to be sure, and not even too original. But not lines fed by any gag-writers, to whom his scorners attribute his wry humor. These are the words of a man a little frightened by what he faces but determined to face it with grace, a man who has come to terms with death as well as life, which is the measure of true courage. Such a man is not easily bent with every wind.

So the suspicion grows that there is more to Ronald Reagan than has met anyone's eye. I will no longer be surprised if he proves to be both a strong and successful President, one who in the end captures the country's imagination and turns its direction around as no President has done since Franklin Roosevelt.●

WILL LAND REFORM SAVE EL SALVADOR—PART I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. McDONALD. Mr. Speaker, very few Americans are at all familiar with the so-called land reform plan the United States imposed in El Salvador. It was not a plan designed for El Salvador, but a warmed over version on one used in Vietnam years ago. It was imposed in a brutal and unthinking fashion, and thus, set the stage for some of the violence that now takes place in that unhappy land. The situation is not nearly so clear cut as our popular press has led the public to believe. Virginia Prewett is a real expert on Central America and her analysis of the background to the present crisis in El Salvador recently appeared in Human Events of March 28, 1981. I am inserting part I of this item in the RECORD today which gives many useful insights into the situation that have heretofore been unpublished:

WILL LAND REFORM SAVE EL SALVADOR?

Scratch a glaring paradox in our foreign relations and you'll find underlying contradictions of fact. That is a sober description of political legerdemain, deceptions, distortions and disinformation.

U.S. policy is today locked in an amazing paradox in Central America's little El Salvador. The U.S. free-enterprise system is the world's greatest provider of the most for many. Yet in El Salvador, Washington is subsidizing a system of ultra-state control that Carter diplomats pressed on Salvadorans, most notably land socialization that has failed in Peru, in Allende's Chile and in Castro's Cuba.

The failed system was urged on El Salvador to replace a free-market economy troubled politically but making the best of it economically in a densely populated country whose only resource is land.

When the Carter Administration in March 1980 created the paradox underpinned by land reform, its officials said this would beat out the Marxists. At the end of Carter's term, however, he acknowledged the need for increased military aid against Marxism's guerillas in El Salvador.

Under President Reagan, the paradox is acquiring new dimensions. While denouncing Soviet-style revolutionary aid to El Salvador's guerrillas, his Administration has been pressured into increasing economic subsidies for El Salvador's state control system even as the President de-statizes the economy here.

A prop helping hold up the multidimensional paradox is insistence, especially by our national news media, that the Salvadoran junta leader, Jose Napoleon Duarte, is a "political moderate."

Yet Duarte himself emphasizes his radical position. In a March Miami radio interview, he declared:

"[My] government's revolutionary program is much more profundo [profound, far-reaching, deep-cutting] than those presented by the DRU and the FDR themselves . . . or by the Communist party's Democratic Revolutionary Front, the MNR or any leftist party here.

"Our revolutionary process has shattered all the models not only advocated here but in all Latin America. For example, there's not a single country in Latin America where all the foreign commerce and the banking system have been totally nationalized, as in ours. Nor is there a single other country in Latin America, and that includes Cuba, where the wealth that is the land has been given directly to the peasants. . . ."

No amount of word manipulation can make this into political moderation. Nor into a democracy or a free system, as the terms are used in non-Marxist vocabularies.

The DRU and the FDR which Duarte mentioned are described in the State Department February 23 report, "Communist Interference in El Salvador," as, respectively, a Havana-subsidized Salvadoran unified revolutionary directorate and a companion propaganda front including some non-Marxist-Leninists "for appearances' sake."

The MNR is a political party allied with the International Socialists.

Thus we have Duarte's assurance that his government's position is more radical than those of the Salvadoran Marxist-Leninist forces and the Socialists.

The foundation-stone on which El Salvador's land-reform centerpost rests is the myth that the 8,000-square-mile country was long ruled by 14 families hand-in-glove with a corrupt military, both dedicated to grinding down the poor. Yet in 1977, before destabilization advanced here, the overpopulated country was self-sufficient in food—something Mexico has not achieved today after 66 years of revolutionary land reform.

World Bank, Inter-American Development Bank and United Nations figures to be cited later show that, in 1977, the distribution of wealth there compared well with Latin American countries considered liberal democracies. El Salvador that year spent 32 per cent of its government income on social programs, says the IADB, as compared with revolutionary Mexico's 18.5 per cent and oil-rich, liberal Venezuela's 18.8 per cent.

El Salvador had corruption in government (also found in Mexico and Venezuela). But it also had a hard-working, reinvestment-minded entrepreneurial class and a growing middle class. Income tax rolls said that rather than 14 families monopolizing higher tax brackets, there were in fact over 30,000 in a nation then counting under 4.3 million inhabitants.

But in 1979 the Marxist tide rose high in Nicaragua. And the huge Marxist machine turned to El Salvador, before hitting Guatemala. The Carter Administration, copycatting Marxism, encouraged the October 1979 military coup. A hundred top Salvadoran military officers were dismissed as the military accused of maintaining the mythical 14 families were presto-changed into reformers. Christian Democrats at length came out on top among the new junta's civilians.

The junta prepared for land reform with two important steps. It nationalized the overseas marketing of major exports: coffee, cotton and sugar. Early in 1980, it issued Decree No. 114, in which the Salvadoran constitution was declared null when it ran counter to the junta's objectives.

In early March, the staff of the Salvadoran land reform institute (ISTA) was kept incommunicado in a downtown San Salvador hotel for three days to be indoctrinated in the changes designed in Washington. The military high commend also issued secret, unprecedented orders.●

LIMIT JAPANESE IMPORTS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. HUBBARD. Mr. Speaker, Mr. Stuart J. Bohne, president of Lester Motors, Inc., Central City Ky., a city that I represent in Congress, has written a very comprehensive letter to me concerning the fact that U.S. automakers are manufacturing cars and trucks as fuel-efficent as Japanese models. I feel that Mr. Bohne's letter is one which should be shared with my colleagues and I wish to do so at this time. The letter follows:

DEAR CARROLL: I am enclosing a copy of an article from the April 1981, issue of Moneysworth. In this article, Milton Brum of the U.S. General Services Administration says that he had to purchase Datsun pickups because no U.S. automaker had a fuel-efficient truck.

You will also find enclosed a copy of the comparable mileage ratings of the Ford Courier and Datsun pickups which show Courier to have ratings equal to or higher than Datsun. Although Couriers are also made in Japan, the purchase of Ford Couriers would at least help Ford Motor Company, a U.S. taxpayer and employer of U.S. taxpayers.

I am very concerned about the U.S. Government's failure to limit Japanese imports. I urge the United States to impose import restrictions on Japanese vehicles similar to the restriction they impose on American vehicles. If Japanese small cars were priced at $11,000.00, like the Chevette is in Japan, I doubt if many Japanese cars would be sold.

The Japanese have a history of lulling the Americans to sleep. No one in Washington seems concerned any longer. Please do not let them continue to unfairly take jobs and profits from American citizens and companies.

Sincerely,

STUART J. BOHNE,
Lester Motors, Inc.●

APPOINTMENT OF ROBERT BROADBENT

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. SANTINI. Mr. Speaker, I would like to enter into the RECORD a few remarks about the appointment of Robert Broadbent to the post of Commissioner of Water and Power Resources Service in the Department of the Interior. I am particularly pleased with Secretary Watt's appointment of Commissioner Broadbent since he is a native son of my own State, Nevada.

Bob Broadbent comes to Washington from Boulder City, Nev., and he brings with him a grassroots knowledge of the West and its water problems. Bob has served as a businessman in southern Nevada and as a member of the county commission for our State's most populous county. In addition, Commissioner Broadbent was director of the Las Vegas Valley Water District, a trustee of the Clark County Sanitation District, and a member of the regional planning council. Bob Broadbent knows business, he knows the needs of local areas and he knows the direct and critical impact of water issues which westerners face everyday.

It is with pride and pleasure that I warmly welcome Bob Broadbent to the important position of Commissioner of Water and Power Resources. Bob is a true friend of the West, and I know he will make an intelligent and just administrator in the Department of the Interior.

Thank you.●

COUNCILWOMAN JOAN SPECTER, CHAIRMAN OF TAY-SACHS MONTH

HON. CHARLES F. DOUGHERTY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. DOUGHERTY. Mr. Speaker, in the coming weeks the people of Philadelphia will have a heightened awareness of the dread genetic disease Tay-Sachs due to the efforts of an outstanding new member of the city council, Councilwoman Joan Specter.

Councilwoman Joan Specter has been named general chairman of Tay-Sachs Month, which will be observed in May.

In making the announcement, Sedra Schiffman, president of the National Tay-Sachs and Allied Diseases Association of Delaware Valley, said that Tay-Sachs Month is "designed to increase public awareness to the genetic disease which strikes and kills young children."

Mrs. Specter, who is presently serving her first term as a Philadelphia councilwoman at large, said that "free testing will be offered throughout the month of May to identify carriers of the inherited disorder."

Mrs. Specter pointed out that there is no cure for the disease that is caused by an enzyme deficiency, but said that it can be prevented.

"A single blood test can identify carriers and with professional genetic counseling, even 'high-risk' couples can have healthy families," Mrs. Specter noted.

Mrs. Specter pointed out that there would be a number of other activities throughout the month, many of which will be carried out by neighborhood chapters. The month-long campaign will be culminated on June 2 with an evening of recognition dinner at the Franklin Plaza Hotel.

Mrs. Specter presently serves on the Finance, Legislative Oversight and Transportation Committees in city council.

In 1977, Joan Specter established Joan Specter's Desserts, a business which markets frozen desserts in 10 States. For 8 years, until taking office, Joan wrote a weekly feature food column.

Councilwoman Specter serves on the board of the American Jewish Committee Energy Task Force, Women Against Domestic Abuse and Gaudenzia House, a drug rehabilitation center. Joan is the chairwoman of the Day Care Coalition for Central Philadelphia.

Arlen Specter, Joan's husband, was elected to the U.S. Senate in November 1980. The Specters have two sons.

Mr. Speaker, to Councilwoman Joan Specter we offer our gratitude for her

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efforts on behalf of the young children who fall victim to Tay-Sachs and their parents, and we extend to her our best wishes for a successful campaign to educate our citizens about this genetic killer.●

TREASURE IN BERMUDA SHORTS

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mrs. BOGGS. Mr. Speaker, there was a charming article recently published in the Blue and Grey entitled "Treasure in Bermuda Shorts," by Susan Laird and Chabella Pruyn. The treasure, the Reverend Joseph F. Thorning, is well known to many Members. Excerpts from the article follow:

A treasure remarkably valuable to us all is hidden among the cobbled sidewalks and clustered spires of historic Frederick.

The Rev. Dr. Joseph Francis Thorning, author, educator, and lecturer is most widely known for his ministeries and contributions to United States diplomacy as "El Padre de la Americas."

The 83-year-old "padre," in a series of interviews, said his one major accomplishment was to have been four times an ambassador of the United States on special diplomatic missions to foreign countries. Because Dr. Thorning fluently speaks the four languages of the world, he was chosen for the first mission by order of Harry S. Truman to Rio de Janeiro in 1951. The purpose of the mission was to consolidate the friendship between the United States and Brazil. The mission was so successful that he was asked to accept the rank of "special ambassador" on three later occasions. All four missions were extraordinary successes.

Joseph Thorning, Ph.D., D.D., began his extensive education at Marquette Academy and continued at Holy Cross College, St. Louis University, Oxford University, Catholic University, and Gregorian University. He taught sociology, and foreign languages in many colleges of which Mt. Saint Mary's, Marymount, and Loyola are three. He was the acting dean of the Graduate School at Georgetown University for three years.

"I didn't always want to become a priest," said Thorning, "because I was such a good debator in school." "For that reason, I wanted to be a trial lawyer for a while."

It was not until a priest named John M. Fox, a teacher of languages at Holy Cross in Massachusetts, served as a mentor that Dr. Thorning decided to become a priest, he explained.

The final decision came, Thorning recalled, when he read a short passage from the Bible: "He that shall lose his life for me, shall find it, and live the life with a hundred fold of blessings." He was ordained in 1928 in the Roman Catholic Church.

The high point of Thorning's life came unexpectedly in 1973 at the U.S. Embassy in Buenos Aires, Argentina. United States Ambassador John D. Lodge hosted "A Feast of the Annunciation" where Dr. Thorning, acting chaplain of the U.S. House of Representatives for 30 consecutive years, was the guest of honor.

Thorning explained that Lodge presented the following toast during the evening: "To the most brilliant Jesuit priest I've ever known. I ask you all to rise and give a standing ovation to his continued health, loving nature, and happiness, here and in eternity—let that not happen soon."●

A TRIBUTE TO THE HEROISM OF CHRISTOPHER DOZIER

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. FAUNTROY. Mr. Speaker, this month the American Automobile Association is presenting three young people the highest award given to the members of school safety patrols throughout the United States, the AAA School Safety Patrol Lifesaving Medal.

The lifesaving medal program was initiated in 1949 by the American Automobile Association to recognize and honor selected school patrol members for their heroic lifesaving contribution to their communities.

Since its inception, there have been more than 200 boys and girls from 27 States and the District of Columbia who have been honored with the lifesaving medal.

An award review board composed of representatives from active national organizations in the fields of education, law enforcement, and safety selects deserving medal recipients from those candidates who have been officially nominated for consideration.

This year one of the recipients of the 1981 award is from my district. He is Christopher R. Dozier, 11 years old, from Bancroft Elementary School, Washington, D.C. On two separate occasions, Christopher performed acts of heroism. In November 1980, he saved a 6-year-old's life by pulling him from the path of an oncoming car.

Two months later, Christopher rescued two non-English-speaking children. As they stepped off the curb in front of a rapidly approaching car, Christopher, realizing they did not understand English, quickly grabbed them and pulled them to safety.

I am very proud to join the American Automobile Association in saluating Christopher for his exceptional, quick judgment and courage in dangerous traffic situations.●

THE FELTSMANS SHOULD BE ALLOWED TO LEAVE THE SOVIET UNION

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. GREEN. Mr. Speaker, 2 years ago Mr. Vladimir Feltsman was one of the most promising pianists in the world. It was 2 years ago when Mr. Feltsman let Soviet officials know that he and his wife wanted to emigrate to Israel. Since that time Mr. Feltsman has been stripped of his ability to demonstrate his superb talents and has continually been denied his requests to leave for Israel. This deprivation of both freedom and talent is typical of the Soviet Union and is to be expected. Nonetheless the outrage it stirs within me is not lessened. So that my colleagues can become familiar with Mr. Feltsman's plight I am inserting this article from the New York Times.

SOVIET EXPUNGES PIANIST'S MUSIC AFTER HE SEEKS EXIT VISA

(By Anthony Austin)

Moscow, March 19.—Until 10 A.M. on May 23, 1979, Vladimir Feltsman, a pianist, was a rising star on Soviet and international concert stages, with critical acclaim lavished on him in the Moscow press. Then, as far as Soviet audiences were concerned, he ceased to exist.

"Ten o'clock that morning was when I made known my decision to apply to emigrate to Israel," Mr. Feltsman, who is 29 years old, said the other day in an interview.

"I went into the office of the assistant manager of the Moscow State Philharmonic, where I was employed as a soloist, and asked him for the references I needed to apply for an exit visa.

"At 12:30 that afternoon, there was a phone call from a friend at the State Television and Radio studios. He said, 'What happened? We've just been ordered to remove all your tape recordings from the racks and never play them again.'"

Two weeks later, Mr. Feltsman was to appear as a soloist with the Moscow Philharmonic in the Great Hall of the Moscow Conservatory. The concert was advertised on posters all over Moscow.

YOUR APPEARANCE IS CANCELED

"At 3 o'clock on the day of the concert," Mr. Feltsman recounted, "my name on the posters was blotted out with black ink. At 5 o'clock, two hours before the concert, the assistant manager called me. He said, 'Your appearance is canceled.'"

In quick order, all Soviet tapes and video recordings of Mr. Feltsman's performances were erased and all records of his music were removed from Soviet stores. Except for one invitation in December 1979 to Tbilisi—"a fluke", he said, "that only goes to show that almost anything can happen in Georgia"—he has not been heard in public again.

And in the intervening 20 months, he has been turned down three times on his request for a visa to emigrate to Israel.

Mr. Feltsman's fall into limbo illustrates what often happens to Soviet Jews who apply to emigrate—how abruptly they lose their professional positions and how uncertain are their chances of getting out. In Mr. Feltsman's case, both these factors may have been accentuated by special considerations.

His father, Oskar Feltsman, is a renowned Soviet composer of popular songs, operettas and musicals. It would not be out of character for Soviet officials to prevent the son from tarnishing the father's name by what is regarded here as the traitorous act of emigration.

The young pianist's own career as a Soviet virtuoso may make it all the more difficult for the authorities to allow him to leave. When he was 15, he won first prize at the Concertina International Competition in Prague. When he was 19, he won first prize at the Margaret Long International Competition in Paris. The music critic of Le Figaro called him "extraordinary, brilliant." L'Aurore wrote: "He must be counted among the great musicians of the world."

Mr. Feltsman, a graduate of the Moscow State Conservatory, proceeded to give piano recitals and appear as soloist with the best orchestras in the country. Tikhon N. Khrennikov, first secretary of the Union of Soviet Composers and the reigning oracle of Soviet music, wrote in the newspaper Sovetskaya Kultura of his "freshness and depth" and called him a "pianist of extraordinarily vivid gifts, with a big future."

He made a name for himself with tours in the Soviet Union and Eastern Europe and with recordings of Chopin, Schumann, Shubert and Brahms that were reissued in France, West Germany, Japan and the United States. But from 1973 to 1977 he was not allowed to accept engagements outside the Soviet bloc.

TRAVEL BAN LIFTED AFTER MARRIAGE

In 1977, two things happened. Mr. Feltsman was married and the ban on his travel to the West was lifted. Whether the two events were connected is not known. His wife, Anna, a biologist from Leningrad, had to remain behind in Moscow when he toured Japan in 1977 and France in 1978, where he won critical acclaim.

Then Vladimir and Anna decided to emigrate.

"It was not a political act in any way," Mr. Feltsman said. "What I was seeking was more artistic independence. I wanted to decide for myself what to play and where. Here, all these things are decided for you. Every tour abroad presents fearful complications. You never know until the last minute whether you will be allowed to leave."

Obtaining their parents' consent, as required by Soviet regulations, they applied for an exit visa on the strength of invitations from Anna's aunt and brother in Israel.

In May 1980, after waiting almost a year, they were told their visa applications had been turned down. The explanation was that it would be wrong for Mr. Feltsman to leave his parents.

After a wait of six months, as required by administrative procedure, the Feltsmans reapplied and were told in December 1980 they could not go because their case did not provide for "reuniting of families," the only basis on which emigration is allowed. This appeared to be a strict application of a new ruling, sometimes followed and sometimes not, that the only valid "reuniting" is between husbands and wives and parents and children.

Mr. Feltsman had been sending appeals to the Communist Party's Central Committee, the visa office and other organizations. Now, in accordance with Soviet custom, he wrote to the 26th Communist Party Congress, which met in Moscow last month.

"The only reply we got was a third refusal from the visa office," he said. "The explanation this time was that my departure was inexpedient for reasons of state."

Early this month, in response to a letter from Mr. Feltsman complaining that he had not played in public for 18 months and that hibernation was fatal to a musician's art, the trade union to which he still belonged arranged for a series of solo recitals in six of the smaller cities in the Ukraine.

In Sumy, the first stop, the director of the local booking office met him with apologies.

"He said he had not been able to make arrangements for my recital without posters advertising my appearance," Mr. Feltsman recounted. "All such posters are sent out from Moscow. The posters had not arrived.

"I took the first train back to Moscow and asked what had happened. They said they did not know. But they said my Ukrainian tour was indefinitely postponed."●

TAX RATE CUTS

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. WEBER of Minnesota. Mr. Speaker, cutting marginal tax rates to produce savings, investment and economic growth is a relatively new idea in Washington. Just a few years ago, Prof. Arthur Laffer and a small group of supply-siders sounded like the proverbial voice crying in the wilderness. Today that voice has risen to a clamor.

The relation of tax rates to economic growth is a concept that has caught the imagination and won the support of millions of Americans.

Today I would like to insert in the RECORD a transcript of an editorial delivered by Andy Hilger of WJON radio in St. Cloud, Minn. Mr. Hilger's statement, in my opinion, reflects the position of a majority of my constituents, if not the Nation.

TAX RATE CUTS

One of the primary challenges of the Reagan administration is to try and turn around our ailing national economy.

Among the tools President Reagan will employ are a reduction in Federal spending, cutting income tax rates, pruning at the maze of regulation, and asking the Federal Reserve to hold the line on the money supply.

It is interesting to note that most arguments regarding the Reagan economic recovery plan are in the tax cut area.

Various national polls have shown that most Americans, when given the choice between tax cuts and a balanced budget choose the balanced budget. We assume that kind of citizen response is based on the idea that if you cut taxes, in other words, cut the money Government takes in, then how can you balance the budget. Especially, when most Americans want more spending for a stronger national defense?

Even the experts disagree on cutting tax rates. For example, Walter Heller of the University of Minnesota, who was a top economic advisor to Presidents Lyndon Johnson and John F. Kennedy, says that cutting tax rates, would only spur inflation. Paul Volcker, head of the Federal Reserve Board, has advised that spending cuts should come before tax cuts.

Yet, the other side of the argument we think is compelling. Reagan wants tax cuts and spending cuts at once. The President feels that high tax rates do not bring in more money. Instead, high tax rates, rates that are punitive, tend to slow or stop-cold economic activity, drive it underground into the cash or barter economy where income is not reported, or cause people to put their money into legal but tax-free shelters. Other folks just look at the way Uncle Sam feeds on their productive efforts and decide not to work, to take nice, long vacations, or to live off the welfare state.

So, what happens when punitive tax rates are reduced? Then, as economist Craig Roberts says, the "price" of leisure goes up, and the "price" of work goes down. Economist Milton Friedman has said that if the top income tax bracket of 70 percent were reduced to 25 percent it could increase Government revenues because people would immediately report higher taxable earnings. Folks would switch out of tax shelters and to some extent out of the underground economy.

Further, there is ample evidence that major tax-rate reductions in this century, in the United States, and in other countries, have resulted in increased Government revenues.

Victor Hugo once said, "There is nothing more powerful than an idea whose time has come." Putting incentive back into the American system by cutting tax rates is such an idea.●

OLDER AMERICANS ACT EXTENSION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation to reauthorize the Older Americans Act for a 3-year period. The act expires at the end of this fiscal year.

My bill will extend all six titles of the act for 3 years. It will eliminate the existing priority service requirement under title III-B of the act. It will substantially upgrade the position of the Commissioner on Aging by making him directly responsible to the Secretary of the Department of Health and Human Services instead of the Assistant Secretary for Human Development Services to whom he must now report.

In addition my bill proposes to establish a national toll-free information hotline for senior citizens operated by the National Clearinghouse for the Aging.

My bill proposes modest authorization levels aimed at insuring the effective workings of the various programs in the act. It includes a $300 million sum for title III-B for fiscal year 1982 with such sums as may be necessary for fiscal years 1983 and 1984. It provides $350 million for title III-C—congregate meals—with such sums for fiscal years 1983 and 1984. It provides $80 million for title III-C-ii—home-delivered meals—with such sums for fiscal years 1983 and 1984. It provides $45 million for title IV with such sums for fiscal years 1983 and 1984. Finally, it provides $350 million for title V for fiscal year 1982 with such sums for fiscal years 1983 and 1984.

I insert into the RECORD the full text of my legislation for the consideration of my colleagues.

H.R. 3267

A bill to amend the Older Americans Act of 1965 to extend certain authorizations of appropriations made in such Act, and to make certain revisions in the provisions of such Act

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Comprehensive Older Americans Act Amendments of 1981".

DECLARATION OF OBJECTIVES

SEC. 2. Section 101 of the Older Americans Act of 1965 (42 U.S.C. 3001) is amended—

(1) in paragraph (4) thereof, by inserting "and supportive" after "restorative", by inserting ", including assistance in avoiding institutionalization, with maximum independence" after "services", and by inserting "do" after "who";

(2) in paragraph (5) thereof, by inserting ", and with maximum opportunity to select full-time, part-time, flexible, or other appropriate employment" before the period at the end thereof; and

(3) by adding at the end thereof the following new paragraphs:

"(11) Education and training opportunities which assist older persons to obtain or retain gainful employment, cope with legal, financial, and health needs, to contribute to their communities, and to maintain full and meaningful lives.

"(12) Freedom from the threat of domestic violence and from the fear of violence and crime.".

ADMINISTRATION ON AGING

SEC. 3. (a) The third sentence of section 201(a) of the Older Americans Act of 1965 (42 U.S.C. 3011(a)) is amended by striking out "the Office of".

(b) The last sentence of section 201(a) of the Older Americans Act of 1965 (42 U.S.C. 3011(a)) is amended by inserting after "Commissioner" the first place it appears therein the following: "under section 202 (including policymaking, programmatic, regional, fiscal, administrative, and personnel responsibilities)".

FUNCTIONS OF COMMISSIONER

SEC. 4. (a) The heading for section 202 of the Older Americans Act of 1965 (42 U.S.C. 3012) is amended by striking out "ADMINISTRATION" and inserting in lieu thereof "COMMISSIONER".

(b) Section 202(a) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)) is amended—

(1) by striking out "Administration" and inserting in lieu thereof "Commissioner";

(2) in paragraph (5) thereof, by inserting "education and training services (including" after "hospitalization,", by inserting "and" after "training,", and by inserting a closing parenthetical mark after "education";

(3) in paragraph (15) thereof, by inserting "programs under title XX of the Social Security Act," after "medicaid,"; and

(4) in paragraph (17) thereof, by inserting "Federal and State" after "other".

FEDERAL AGENCY CONSULTATION

SEC. 5. Section 203(b) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)) is amended by striking out "and" at the end of paragraph (9), by striking out the period at the end of paragraph (10) and inserting in lieu thereof a comma, and by adding at the end thereof the following new paragraphs:

"(11) title I of the Higher Education Act of 1965,

"(12) the Adult Education Act, and

"(13) the Vocational Education Act of 1963.".

NATIONAL INFORMATION AND RESOURCE CLEARING HOUSE FOR THE AGING

SEC. 6. (a) Section 204(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3014(a)(1)) is amended by inserting "quickly" after "and" the first place it appears therein.

(b) Section 204 of the Older Americans Act of 1965 (42 U.S.C. 3014) is amended by redesignating subsection (b) and subsection (c) as subsection (c) and subsection (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) The National Information and Resource Clearing House for the Aging, in connection with carrying out its functions under paragraph (2) and paragraph (3) of subsection (a), shall—

"(1) make available through a national toll-free telephone line information concerning federally administered programs, services, and benefits for which older persons may be eligible; and

"(2) cooperate with other Federal, State, and local information and referral services to ensure that information is available concerning any programs, services, and benefits, both public and private, which are not federally administered and for which older persons may be eligible.".

(c) Section 204(d) of the Older Americans Act of 1965, as so redesignated in subsection (b), is amended by striking out "and 1981" and inserting in lieu thereof "1981, 1982, 1983, and 1984".

FEDERAL COUNCIL ON THE AGING

SEC. 7. (a) Section 205(a) of the Older Americans Act of 1965 (42 U.S.C. 3015(a)) is amended by inserting after the third sentence thereof the following new sentence: "At least one of the members shall be an official of a State agency designated under section 305(a)(1), and at least one of the members shall by an official of an area agency on aging designated under section 305(a)(2)(A).".

(b) Section 205(h) of the Older Americans Act of 1965 (42 U.S.C. 3015(h)) is amended by striking out "and 1981" and inserting in lieu thereof "1981, 1982, 1983, and 1984".

ADMINISTRATION

SEC. 8. Section 206(d) of the Older Americans Act of 1965 (42 U.S.C. 3016(d)) is amended by inserting "to the Commissioner" after "appropriated".

TECHNICAL ASSISTANCE AND COOPERATION

SEC. 9. Section 301(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3021(b)(2)) is amended by inserting "the Department of Education," after "cooperation of ".

DEFINITIONS

SEC. 10. Section 302 of the Older Americans Act of 1965 (42 U.S.C. 3022) is amended—

(1) in paragraph (2)(A) thereof, by inserting ", including education and training services," after "services" in the first place it appears therein;

(2) in paragraph (4) thereof, by adding at the end thereof the following new sentence: "Such term includes services designed to prevent domestic violence, either through furnishing assistance to victims of domestic violence or through efforts to improve the reporting of incidents of domestic violence.".

(3) by adding at the end thereof the following new paragraph:

"(9) The term 'education and training service' means a social service designed to assist older individuals to better cope with their economic, health, and personal needs through services such as consumer education, continuing education, health education, preretirement education, financial planning, and other education and training services which will advance the objectives of this Act.".

AUTHORIZATION OF APPROPRIATIONS FOR TITLE III

SEC. 11. (a) Section 303(a) of the Older Americans Act of 1965 (42 U.S.C. 3023(a)) is amended by striking out "and", and by inserting after "1981" the following ", $300,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984,".

(b) Section 303(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3023(b)(1)) is amended by striking out "and", and by inserting after "1981" the following ", $350,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984,".

(c) Section 303(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3023(b)(2)) is amended by striking out "and", and by inserting after "1981" the following ", $80,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984,".

ALLOTMENTS

SEC. 12. (a) Section 304(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3024(a)(1)) is amended by striking out "fiscal years 1979, 1980, and 1981" and inserting in lieu thereof "any fiscal year".

(b) Section 304(d)(1)(B) of the Older Americans Act of 1965 (42 U.S.C. 3024(d)(1)(B)) is amended by striking out "fiscal year 1981" and inserting in lieu thereof "each of the fiscal years 1981, 1982, 1983, and 1984".

AREA PLANS

SEC. 13. Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)) is amended—

(1) in paragraph (1) thereof, by inserting "(including legal services)" after "social services" each place it appears therein;

(2) by striking out paragraph (2) thereof, and by redesignating paragraph (3) through paragraph (6) as paragraph (2) through paragraph (5), respectively;

(3) in paragraph (5) thereof, as so redesignated in paragraph (2)—

(A) by striking out subparagraph (H);

(B) by inserting "and" at the end of subparagraph (G), and by redesignating such subparagraph as subparagraph (H); and

(C) by inserting after subparagraph (F) the following new subparagraph:

"(G) where possible, enter into arrangements with local legal service providers, including law schools, to use services mandated for older individuals under the Legal Services Corporation Act;".

STATE PLANS

SEC. 14. Section 307(a)(16) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)(16)) is amended by striking out "$20,000" and inserting in lieu thereof "$50,000".

AVAILABILITY OF FUNDS FOR SOCIAL SERVICES AND NUTRITION SERVICES

SEC. 15. (a) Section 308(b)(5) of the Older Americans Act of 1965 (42 U.S.C. 3028(b)(5)) is amended by striking out "to meet the needs of the area served".

(b) Section 308(b) of the Older Americans Act of 1965 (42 U.S.C. 3028(b)) is amended by adding at the end thereof the following new paragraph:

"(6) Notwithstanding any other provision of this title, with respect to funds received under subsection (a) and subsection (b) of section 303, a State may elect to transfer not more than 20 percent of the funds appropriated for any fiscal year between programs under part B and part C of this title, for use as the State considers appropriate. The State shall notify the Commissioner of any such election."

HOME DELIVERED NUTRITION SERVICES

SEC. 16. Section 336 of the Older Americans Act of 1965 (42 U.S.C. 3030f) is amended by adding at the end thereof the following new sentence: "Such projects shall give priority to the provision of meals during weekend periods.".

TRAINING PROGRAMS FOR CERTAIN PERSONNEL

SEC. 17. Section 404(a) of the Older Americans Act of 1965 (42 U.S.C. 3034(a)) is amended—

(1) in paragraph (8) thereof, by striking out "and" at the end thereof;

(2) in paragraph (9) thereof, by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(10) to assist persons involved in the provisions of nutrition services under section 336 in also providing other related social and human services (including regular assessments of the needs of older individuals).".

SPECIAL PROJECTS IN MENTAL HEALTH CARE

SEC. 18. Part C of title IV of the Older Americans Act of 1965 (42 U.S.C. 3035b et seq.) is amended by redesignating section 423 through section 425 as section 424 through section 426, respectively, and by inserting after section 422 the following new section:

"SPECIAL PROJECTS IN MENTAL HEALTH CARE

"SEC. 423. (a) The Commissioner, after consultation with the Director of the National Institute of Mental Health and the Center for Studies of the Mental Health of the Aging, may make grants to, and enter into contracts with, any public or private nonprofit entity for projects under this section. Each such project shall include—

"(1) the location of older individuals who are in need of mental health services;

"(2) the provision of, or arrangement for the provision of, medical differential diagnoses of older individuals to distinguish between their need for mental health services and other medical care;

"(3) the specification of the mental health needs of older individuals, and the mental health and support services required to meet such needs; and

"(4) the provision of—

"(A) the mental health and support services specified in paragraph (3) in the communities; or

"(B) such services for older individuals in nursing homes and intermediate care facilities, and training of the employees of such homes and facilities in the provision of such services.

"(b) For purposes of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1982, 1983, and 1984.".

DEMONSTRATION PROJECTS RELATING TO LEGAL SERVICES

SEC. 19. (a) Section 424(a) of the Older Americans Act of 1965, as so redesignated in section 18, is amended by striking out "public and private nonprofit agencies or organizations" and inserting in lieu thereof "State agencies designated under section 305(a)(1)".

(b) Section 424(c) of the Older Americans Act of 1965, as so redesignated in section 18, is amended to read as follows:

"(c) From the sums appropriated under section 451, there shall be reserved to carry out the provisions of this section $20,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984.".

AUTHORIZATION OF APPROPRIATIONS FOR TITLE IV

SEC. 20. Section 451(a) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)) is amended by inserting before the period at the end thereof the following: ", $45,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984".

AUTHORIZATION OF APPROPRIATIONS FOR TITLE V

SEC. 21. Section 508 of the Older Americans Act of 1965 (42 U.S.C. 3056f) is amended by striking out "and" the last place it appears therein, and by inserting before the period at the end thereof the following: ", $350,000,000 for fiscal year 1982, and such sums as may be necessary for each of the fiscal years 1983 and 1984".●

PRESIDENT'S ECONOMIC AND TAX PROPOSALS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. ARCHER. Mr. Speaker, as we begin the deliberations on the President's economic and tax proposals, I would like to share a letter recently sent to me by one of my constituents in Houston, Mr. John Beck. I hope you will seriously consider the points Mr. Beck raises in support of this important package of proposals. We need to put aside party differences on this critical issue and show the American public that the Congress shares the President's concern for the economic future of our Nation, and I believe Mr. Beck's comments are well worth sharing with you.

The letter follows:

TO THE CONGRESS OF THE UNITED STATES OF AMERICA.

GENTLEMEN: I was truly overwhelmed by the President's economic message. It would appear that at last the middle class working citizen, who comprises the majority of your constituency, is being considered.

However, I fully understand that your moral responsibility is to represent the majority of your individual constituency. I appreciate the separation of power in our government. I sympathize with your responsibility to your individual party platforms.

I am comforted though by the knowledge that you are concerned with the present economic situation. It would be inconceivable for such great leadership to deal with our national problems from a standpoint of emotion or political considerations.

Therefore, I realize that you will consider all the facts, that these facts will be verifiable, and finally that a logical conclusion and solution will be arrived at.

As a concerned middle class citizen, I would like to offer you a middle class view point on the present national crisis.

My definition of middle class is any family earning between $15,000 to $150,000 annually. It includes management and unions, blue collar and white collar laborers; it covers all backgrounds of education and social environment.

The bulk of the tax burden falls squarely on our shoulders—either through direct tax payments or indirectly through the purchases of goods and services. We, therefore, should have more say on how our money is being spent.

It irritates me to hear some of you talk about obscene profits and excessive salaries. Free enterprise rewards incentive; and we the consumers determine what profits will be made. Now that free enterprise is threatened and could face extinction in the future—we must ask ourselves why.

Simply put, free enterprise depends heavily on the middle class. It depends on us to work and produce goods. It depends on us to purchase those goods in our role as consumers. And, finally, since the middle class owns the majority of stock in corporations—it depends on us to provide the capital needed to purchase new machinery and equipment (which in turn creates new jobs and more goods).

Why is this system starting to fail? Government, in my opinion, is the main culprit. Granted those same dollars are being spent—but they are unproductive dollars. When the worker finds himself or herself taking home less wages because of taxes, two things happen: one—he or she is less likely to be as productive in producing goods and secondly, less likely to save and invest. This means that there are less goods available for consumption. Because there are less goods available, we are forced into a situation where we are competing for fewer goods or lesser quality goods—and those who are willing to pay the higher price will get the goods. Hence, inflation.

It would appear to me that we are slowly but surely killing free enterprise by redistributing the wealth of our nation. This is socialism.

I do not believe that this is the objective of our citizens and your constituents.

In order to save our economic system, we must increase productivity (More goods and better quality goods). Government spending has to be cut consistently in real terms (after adjusting for inflation). Tax dollars should then be refunded to the middle class—giving them more buying power. This will not be inflationary if we save those dollars until increased productivity puts more goods into the market place.

This can be done. We want it; and, we charge you, our representatives, with the responsibility of getting the job done. If you cannot—then, at least, step down so that we may charge someone else who can.

I have to admit that the majority of us do not understand our economic environment. If we did, we would have strongly voiced our objections to the windfall profits tax. The oil companies simply pass the increased tax on to us by way of higher gasoline prices. So in effect—it is really an excise tax on the consumers.

We are tired of tricks—such as back door taxes. We want a real tax relief program. We do not want political double talk and excuses.

As middle class citizens—we expect our federal government to provide us with the means to defend ourselves, to provide us with a real foreign diplomacy program in our dealings with other peoples, and to set national goals and policies. We expect our state government to provide us with those things that should be closer to our own control. We recognize our social responsibilities; however, we should set the rules locally based on real needs and as to what we can reasonably afford. We do not wish to reward sloth and laziness and penalize our own productivity.

We wish to preserve our nation as our forefathers envisioned her—a free country with an economic system that rewards us for our own incentives.

I firmly believe and humbly submit that this is the will of the American people. I do not think that we, the middle class, will continue to be apathetic. We cannot afford to be. We will write letters to our representatives, we will involve ourselves in campaigns, and we will vote.

Sincerely,
An American middle class citizen.
John Beck.●

A CONSTRUCTIVE ALTERNATIVE

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. PURSELL. Mr. Speaker, in the spirit of reaching a bipartisan compromise on the important issue of tax relief for individual American taxpayers, I have reintroduced a bill that I originally submitted last year with the support of 84 of my fellow Members. The House Ways and Means Committee has been holding hearings on this subject, during which I have presented testimony on my bill—comments I would like to share with the rest of my colleagues at this time.

STATEMENT OF HON. CARL D. PURSELL

A CONSTRUCTIVE ALTERNATIVE

Mr. Chairman, I want to take this opportunity to commend you and the other Members of your Committee for holding these early hearings aimed at producing meaningful tax relief. Of course, there exists substantial disagreement over specific proposals, and the next task will be to write legislation on which majorities in both houses of Congress can agree.

With respect to individual tax relief, the most difficult decisions undoubtedly involve the magnitude and timing of the reductions. For example, I noted with interest last week an exchange between Senate Budget Committee Chairman Pete Domenici and Treasury Secretary Donald Regan. Senator Domenici raised the possibility of spreading the administration's proposed 30 percent cut in personal income tax rates over more than the recommended three years. He specifically asked if there is any economic reason why such an approach would not work since it would provide the same predictability and consistency for taxpayers as the President's proposal. The Secretary replied, "That's entirely possible, Senator, that the scenario would work."

That exchange seems to sum up the feeling of a great many of the people with whom I have talked over the past two years. Accordingly, last Spring I prepared a bill based on the basic 30 percent tax reduction approach, but one that would be phased in over a 5-year period, so as to, in part alleviate the fears of some that the quicker 3-year implementation period would add unduly to the Federal deficit.

Along with 84 cosponsors, I introduced this legislation (then H.R. 7730) in July. Many of my colleagues have indicated that the time is now right to resubmit this legislation with the hope that it could serve as a catalyst for reaching agreement on much needed tax relief.

Let me at this point briefly describe the bill and then relate its main objectives: It simply would provide for a 30 percent reduction in personal income taxes over a 5-year period, followed by "indexation" of the tax rates and personal exemptions starting in 1987. The indexation provisions are identical to those proposed by the President, where adjustments would be made each year to reduce tax rates and increase exemptions in direct proportion to inflation, as measured by the Consumer Price Index.

Among the primary goals sought by the bill are:

STABILITY

It would encourage long-range stability in the economy by ensuring a series of tax cuts people can count on. It is not a quick fix concept, but a simple, straightforward, balanced tax reduction package.

PRESERVATION OF PURCHASING POWER

Without "indexing" taxpayers are continually faced with what is often called "taxflation"—the interaction of inflation and taxes. They are climbing a greased pole, getting pay raises designed to "catch-up" with the cost of living, but then finding they have no more (or even less) purchasing power due to inflation, while at the same time being pushed into higher tax brackets, so that Uncle Sam gets a higher percentage of their income in taxes. It is my understanding that by the time taxpayers finish paying their 1980 taxes next week, they will have coughed up almost $23 billion only because of being pushed up into higher tax brackets. That is, inflation alone will, on the average, have accounted for over a 20% tax increase.

JOBS

Taxes are now at almost 22 percent of our Gross National Product (GNP), the highest level since 1944, at the height of World War II. Despite the deep concerns about the prices of food, clothing and housing, it is taxes, not consumer products, which are the most rapidly rising factors in the budget of the average American family.

Reducing taxes would leave billions of dollars in the pay checks of working men and women; money in the hands of our people to spend for these necessities, while providing increased demand for goods and services. That means more jobs.

INCENTIVES FOR INVESTMENT AND PRODUCTIVITY

Our Nation is suffering from a decline in personal saving and in capital investment—both compared to the past and to other industrial countries. Again, reducing taxes would free billions of dollars for these vital activities.

I might also add that time and again I have talked to workers who won't increase their work hours or output because they feel the extra income is eaten up by taxes.

More than anything else, it is my desire that Congress take action to help restore increased confidence in our Nation and its economic system. People are tired of working until mid-May just to pay off their government tax bill every year. Poll after poll indicates support for reduced taxes (including "indexation"). Elected representatives must respond—it is the very essence of our democratic system. However, let us respond in as statesmenlike way as possible—in a bipartisan, forward-looking and workable manner.

I hope very much that our bill can contribute to such a response by offering a constructive alternative. Thank you very much.●

FOR YOUR LENTEN PENANCE, LISTEN

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. PHILIP M. CRANE. Mr. Speaker, at this crucial time in our history when it is imperative that we not be swept away by the rising tide of disenchantment nor deafened by the clamor of disagreement, I wish to share with you the keen insight of distinguished theologian, Walter J. Burghardt, S.J., who recently celebrated his golden jubilee in the Society of Jesus.

His latest address to a Georgetown congregation clearly transcends religious boundaries and gently whispers uncommon wisdom to anyone who cares to listen:

FOR YOUR LENTEN PENANCE, LISTEN

Today's Transfiguration scene (Mt 17:1-9) is packed with majesty and mystery. There is so much to fill the homilist, like the disciples, with awe. Do you remember the experience of Moses on Mount Sinai (Exod 24: 15-18; 34: 29-35)? Well, the events of Sinai are re-enacted in the experience of the new Moses. Like the first Moses, Jesus too goes up a mountain. His face too shines unbearably. A cloud covers this mountain too, a luminous cloud, the symbol of God's presence. Here too God speaks from the cloud. Even the three booths or tents Peter wants to set up recall the Feast of Tabernacles or Booths that commemorated the sojourn of the Israelites on Sinai while they received the revelation of the law through Moses.

And here we go beyond Sinai. Here Moses and Elias represent the law and the prophets; their presence bears witness that in Jesus the law and the prophets are fulfilled. And here we meet that astounding paradox: to be Messiah meant to suffer, and still Jesus was the glorious Son of Man.

There is just too much—even for three points! And so I shall focus on one facet of that majestic mystery. I shall concentrate on a single word spoken by the Father to Peter, James, and John: "Listen" (Mt 17:5). I shall ask you to listen in three directions: listen to one another; listen to Jesus; listen to the world around you.

I

I suggest you begin by listening to one another. It's not at all easy. Listening is an arduous art. You see, most conversations are not conversations at all. Either they are monologues: I wait patiently until you have finished—since civility demands it—and then I say exactly what I would have said if you had not spoken. Or they are debates: I do indeed listen, but only for that inept word or false phrase at which I proceed to intercept and destroy. No, to listen is to give yourself totally, for that moment or that day, to another, to put yourself into the other's mind, yes the other's heart. It means that you hear not naked words but a human person.

Some of the most remarkable people in history have been great listeners. Remember the mother of Jesus? Luke tells us that she "kept all these things, pondering them in her heart" (Lk. 2: 19; see 2:51): she had listened to shepherds telling of angels. Recall Helen Keller, blind, deaf, mute, "listening" to Annie Sullivan as if her life depended on it (it did indeed). Think of St. John Vianney, the famous parish priest of Ars in France: twelve hours a day in the confessional, he listened—not simply to sins but to fractured hearts. And I shall never forget a remarkable scholar of early Christianity at Catholic University, Johannes Quasten. He used to say to us with quite sincerity: "I learn as much from my students as my students learn from me."

The problem is, to listen is to risk. It takes your precious time, often when you can least afford it. You take on other people's problems, when you have enough of your own. It means getting involved. For if you listen, you open yourself: to your children or "the help," to subordinates or (God save the mark!) students. If you're a good listener, people "dump" on you. If you listen, someone may fall in love with you—and that can be a burden you do not care to bear.

But the risk will be matched by a matchless joy. For listening, really listening, is an act of love; and so it is wonderfully human, splendidly Christian. Love far more than knowledge, I assure you. I used to think, in my youthful arrogance, that what I had to offer the Catholic world was a hatful of answers. No, I come to others as I am, with my own ignorance, my own weakness, my own sinfulness, my own fears and tears. I share not words but myself; I am there. Not my ear or my tongue; simply I. And that, dear friends, is my Christian mission and yours: to be where another can reach out to us.

II

Second, listen to Jesus. This is the command of the Father from the cloud: "Listen to him" (Mt 17:5). This is what the favored three were ordered to do. Why? Because here is at once God's Son and God's Revelation. Here is the prophet par excellence. He himself is the Word, the Word enfleshed, the Word God speaks, the Word beyond compare.

This is not pious poetry; it is profound truth. The breath-taking "new thing" in God's self-disclosure is the opening sentence in the Epistle to the Hebrews: "In many and various ways God spoke of old to our fathers by the prophets; but in these last days He has spoken to us by a Son" (Heb 1: 1-2). In the new covenant God expresses Himself in a Word that is itself a Person. The personal Word God utters from eternity, He uttered on a midnight clear—to us. Jesus is God's revelation to us; he is the point of personal contact between God and us.

How does Jesus speak to us? Vatican II rings loud and clear: "[Christ] is present in his word, since it is he himself who speaks when the holy Scriptures are read in the church." Do you believe that? Do you really believe "This is the word of the Lord"? If you do, how do you listen to him? As breathlessly as Moses listened to the Lord on Sinai? As open to God's word as was the teen-age virgin of Nazareth? Do you "marvel," like his townspeople, "at the words of grace" that fall from Jesus' lips (Lk 4: 22)? Or has repetition dulled your appetite, and Christ is less charismatic than Kotter, J.C. less exciting that J.R.?

The thrilling fact is, this Jesus who speaks to you is not a character out of a dead past. Listening to Scripture in the liturgy is not the same as reading Augustine's Confessions or Gibran's Prophet, not the same as hearing a Shakespeare sonnet or Handel's Messiah. When the New Testament is read to you, Jesus himself speaks to you. Now. Here is the risen Christ, incomparably alive, opening up to you the meaning of what you are hearing, as he did to the desolate disciples on the road to Emmaus. And as you listen, you too can exclaim as they exclaimed: "Did not our hearts burn within us while he talked to us. . ., while he opened to us the Scriptures?" (Lk 24:32). But for that, your hearts have to be open. you have to say, with Samuel of old, "Speak, Lord, for thy servant heareth" (1 Sam 3:9, 10).

But again, there is something distinctive here. Listening to Jesus is not the same as listening to others. The same intensity, yes, the same openness; but a greater risk. When the Father told Peter, James, and John "Listen to him," he was saying "Obey him; do what he tells you; follow him." To listen to Jesus is to be his disciple. Is this how you let Scripture speak to you? Are you saying "Speak, Lord, for thy servant heareth," or do you really mean, as the Protestant ethicist Paul Ramsey rephrased it, "Speak, Lord, and thy servant will think it over"?

If you really listen to Jesus in the proclaimed word, you have a fair chance of hearing him in your everyday life. Not a vision, I assure you; but Jesus speaking in your heart as truly as anyone you love profoundly speaks to your heart.

III

Let me develop this a bit in my third point: listen to the world around you. I have insisted that when the Scriptures are read to you, God speaks to you; and that is a thrilling truth. More thrilling still is that our God is not imprisoned in a book, even in a book of His own inspiring. God is ceaselessly speaking to us. The problem is, we are dreadfully deaf to His voice.

To begin with, God speaks to me through things, the things He has shaped. The Psalmist was right: "The heavens are telling the glory of God, and the firmament proclaims His handiwork. Day to day pours forth speech, and night to night declares knowledge" (Ps 19: 1-2). For God could fashion nothing unless it imaged some perfection of His. There is no blade of grass that does not speak of Him. The whirlwinds reflect His power, the mountains mirror His majesty, surging waves His irresistibleness, a star-flecked sky His breath-taking loveliness. And if I miss their message, it is because I am not tuned into God, am not listening.

God speaks to me through history, through human events. The cry of the blacks for freedom was a cry of God, a cry to "let [His] people go." From the ovens and gas chambers of Dachau, the God of Abraham, Isaac, and Jacob is talking to a world that would like to forget its inhumanity to Jewish man. (Last year a Georgetown student declared that the Holocaust never happened.) From Appalachia to Calcutta it is the voice of Jesus that begs for bread and human dignity. But I need him to put his fingers into my ears and murmur "Be opened" (Mk 7: 33-34).

Very importantly, God speaks to me through my history. Yesterday, in Boston, I buried a young friend half my age. Seven years ago I presided at his wedding; yesterday I consigned his cancerous flesh to the earth. For three days I have been tempted to complain with Martha, "Lord, if you had [really] been here, [our] brother would not have died" (Jn 11: 21). I cannot understand it. "Here," I said in my homily, "here is a young man . . . highly intelligent, good in the strong sense of the word, shaped in equal parts of humor and love. In a world bent by anger and hate, by ambition and suspicion, he is remarkably open and friendly, generous and trusting, a wonderful welding of karate and gentleness. And he loves—loves God and people, loves wife and life—dear God, how passionately in love he is with life! And without warning life is stolen from him. Not swiftly and painlessly; no, slowly and cruelly. So once again, as with my brother wasting away at 27, as with a score of black Atlanta lads, I cannot help asking: Lord, where were you? When he whom you loved was dying, where were you?

Only by listening, almost in desperation, do I hear God speaking. Not explaining, not defending, not justifying. Only, "Do you love me? Then trust me. I do care. I was never closer to Joe than in those last agonizing months. For every Gethsemane is my garden, and every Calvary is my cross."

Dear friends in Christ: If you want to "do" something for Lent, if you want to share in the dying/rising of Jesus, skip the Scarsdale diet; forget the carrots and the cottage cheese, the fresh apple and the Tab. Simply listen: listen to one another, listen to Jesus in the proclaimed word, listen to the word of God in the world around you. For your Lenten penance, please . . . listen.●

THE COURAGEOUS IDA NUDEL

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. GREEN. Mr. Speaker, April 27 marks the 50th birthday of Ida Nudel, a courageous Soviet prisoner of conscience. Her story is well known in the United States, yet it is important that we continue to bring it to the forefront.

Ida Nudel is a very special woman. Not only has she shown great bravery by standing up to Soviet officials in her own defense, she has risked her freedom on behalf of others desiring to emigrate. As an activist in the Soviet Union she has done all she can to bring the problems of other prisoners to the public's attention. She has contacted the West about these cases, put these prisoners in touch with their families and personally protested to

Soviet officials on their behalf. David Chernoglaz, who served for 5 years in a Soviet labor camp, spoke of her after his release:

The one person above all others who helped to keep up morale and who constantly helped with letters and parcels, the person rated by all to be a super-human angel, is Ida Nudel.

All these actions were taken at great risk to herself and have been met with harsh treatment from Soviet officials. Ida Nudel has been constantly harassed, has been denied her wish to emigrate to Israel to live with her sister and has been forced to live in exile for the last 3 years. Yet, her spirit has not been broken. Her defiance persists and her work continues.

Of course there have been numerous pleas from the West. This is not the first time I have spoken on her behalf, and Members from both bodies have been equally active. Sadly, our demands for her release have not been met. The result is that this tremendous person continues to live a lonely life in exile and reports indicate that her health continues to deteriorate.

It is critically important that our efforts continue. These efforts not only put pressure on the Soviets, but they are also a source of inspiration to Ida Nudel. She wrote recently:

Your solidarity is not only providing me with additional strength thus enabling me to bear the psychological situation in which I have been living, but it is also influencing the people surrounding me. Your solidarity has shocked many people; it also made those of them who are capable of judgement, those who can see the difference between justice and injustice and those who have a dignity of their own and can respect the dignity of others, think.

Mr. Speaker, I urge my colleagues to continue pressing for the release of Ida Nudel. It saddens me that this outstanding person is spending her 50th birthday in exile. It is my hope that our work will allow her to spend her 51st birthday in freedom.●

MX HEARINGS NOT RESPONSIVE

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. SANTINI. Mr. Speaker, I would like to take this opportunity to enter a short editorial on local MX hearings into the record. The article is from the Reno Evening Gazette and summarizes some of the complaints Nevadans have about the public comment forum on the draft environmental impact statement (DEIS) for the MX missile.

In my view, the DEIS for MX is probably the most significant environmental impact statement this Nation has produced; unfortunately, this document is extremely deficient both as a decisionmaking tool for the siting of MX and as the yardstick by which mitigation measures will be applied if we get this project. The citizens of Nevada share some of my concerns and are disturbed that the public hearing process will allow precious little time—300 seconds per person—to voice objections and criticisms. Fortunately, since this editorial was published, the Air Force at least broadened the geographical scope of the hearings. We are grateful for this small concession, but we are concerned that we have to plead and protest to be properly heard on this issue of profound importance to our State.

The editorial follows:

MX HEARINGS NOT RESPONSIVE

The Air Force has repeatedly said it wants to hear how Nevadans feel about the MX, and that it will give them ample opportunity to voice their opinions. But looking at the MX hearing sites and the hearing format, one has to believe the Air Force is mostly interested in its own propaganda.

The MX system, if built, would be the largest construction project ever undertaken.

Not by the United States, you understand, or by 20th century man, but by all of mankind going back as far as history will take us. You could probably lump the seven wonders of the ancient world together, including the pyramids, and not equal the construction effort demanded for the MX.

This project would force tremendous changes on Nevada. The effect on our environment, our economy, our lifestyle can hardly be imagined, even after reading the Air Force's draft impact statement. The state would never be the same.

And how much comment is Nevada to be permitted on this incredibly massive project? Only eight hours of hearings in each of five cities—not including Reno. But wait. It's worse that that. In each city, this amounts to a four-hour afternoon and a four-hour evening session—but at each session the Air Force presents a half-hour briefing, with another hour scheduled for questions and answers on the briefing itself, and half an hour for breaks, introduction and closing. Then, in its benevolence, the Air Force grants Nevadans two hours to speak.

But they will not speak long. Representative of groups are given five minutes, individual speakers three—to discuss a nine-volume, 1,800 page document.

And not many will speak. If each person takes three minutes, a maximum of 40 persons will speak in each hearing. That adds up to 80 persons per city, and 400 persons in all. Four hundred out of a population of 797,899. That's .05 percent of the population.

But don't go away. In northwestern Nevada there is one hearing site only, at Carson City. Eighty persons at most will be allowed to speak. That amounts to less than .03 percent of the area's 272,338 people. That's not 3 percent, mind you, but three-tenths of 1 percent.

The Air Force will forgive us if we grovel in absolute ecstacy at such magnanimous generosity, such overwhelming concern with the welfare of our state.

We are told that we can write, of course. But writing is difficult for many persons; they will never set pen to paper. The Air Force must know that. It also must know that the more restrictive the hearings and the farther they are from population centers, the smaller the turnout. If you wished to discourage persons from attending, you would of course choose Carson City over Reno as the site for the only northwestern hearing. The only major population center scheduled for a hearing was Las Vegas, where there is much support for the MX because southern Nevada would bear little of the impact. That hearing was held Monday. The other hearings will be held in such huge population centers as Pioche, Tonopah, and Ely.

These rural areas deserve hearings, of course, because they would be greatly affected by the MX. But why is the rest of the state, which would also be affected, given so little opportunity? Why no hearing in Reno? Why none in Elko? Why, indeed, unless the Air Force does not really care what Nevada thinks.

Sen. Paul Laxalt has written to the Air Force secretary, asking for hearings in Reno and Elko, and also for Austin-Eureka, which would be directly affected by employment. That request should be honored.

But more than that. The Air Force should sit and listen to the people of Nevada for as long as they want to speak. With so huge a project, that is little enough to ask. But we do not merely ask; we demand it, as citizens of a nation in which government may not trample the people's rights. We will not be still until we are heard.●

MORE ON EL SALVADOR—DEMOCRACY AND FREE ENTERPRISE

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. WEBER of Minnesota. Mr. Speaker, over the past months much discussion has focused on whether the United States should continue sending economic and military aid to El Salvador. During that period, I have received many letters from constituents asking me to insure that some policy of human rights is followed in that Central American country. I responded to each one explaining that while human rights have suffered in El Salvador, they would surely be nonexistent under a Marxist regime. The Centrist Government, I believe, holds the best chance for democracy and free enterprise for that developing nation.

To continue the learning process on this issue, I am inserting an interview of El Salvador's President, Jose Napolean Duarte. As you may know, Mr. Duarte was educated in the United States, so he is quite familiar with democratic institutions. I believe this article, which appeared in the Catholic Star Herald on March 27, 1981, best explains the motives of the moderate government. I think it also shows the firm commitment which exists in the country for a peaceful solution to the problem—and the establishment of a democratic society based upon free enterprise.

While we read this article about El Salvador, let us keep in mind the other alternative offered by the rebels, a planned economy which means scarcity and economic misery. I do not believe that we can support such a disastrous policy.

Thank you.

[From the Catholic Star Herald, Mar. 27, 1981]

PRESIDENT DUARTE HAS HOPE

EL SALVADOR LEADER SEES FREE ELECTIONS IN 1982

OAKLAND, CALIF.—Jose Napolean Duarte, Head of El Salvador's government, said in a telephone interview with the Catholic Voice that he sees the light at the end of the tunnel in his country's long bloody struggle toward democracy. The government hopes to hold elections in 1982, he said.

Duarte, president of the civilian-military junta which rules the Massachusetts-sized nation, appointed a team to organize a year-long effort to hold the "first free elections in the history of El Salvador."

It is, he said in a March telephone interview from his home, "A major step in the restoration of democracy in El Salvador."

The elections tentatively planned for early 1982 would involve choosing a constitution, a congress, and, a little later, the man or group who will hold executive office, Duarte told The Voice, Oakland diocesan newspaper.

Duarte has come under heavy domestic and international criticism over his government's human rights record.

"I'm a Christian," he said. "I am opposed to violence. I've worked for peace for the last 20 years and will always be dedicated to non-violent solutions."

Yet, he said, there is a place for violence "when necessary."

"St. Thomas Aquinas says we must exhaust all means of peaceful solutions," he said. "And after having done that, if the problem is still not solved, then one may consider arms."

According to Duarte, the Thomistic exception can be applied to the current situation in El Salvador.

"In this country we have a problem of structural violence. The problem is deeply rooted and has invaded the thinking of every level of society. It is not simply a problem of isolated violence. There is an underlying problem of values—or rather, the lack of values. The radicalization (of leftist guerillas and the extreme right) has created conditions in El Salvador that have destroyed all respect for authority and have produced the abuse of all power and authority," he said.

About 10,000 people were killed in the country in 1980. Duarte said the military is responsible for some of the deaths but most were the work of extremists on the right and left.

Duarte said he has hopes for a political solution in El Salvador though no one on the left has agreed to talk to him yet. "I've tried over and over again to talk to the left. For years I have called for discussion, for dialog, but they refuse to cooperate."

Guillermo Ungo, head of the Democratic Revolutionary Front (FDR), a coalition of non-guerrilla opposition groups, was his vice presidential candidate in 1972, but the two are opposed to each other today. Duarte and Ungo lost the 1972 elections to a military candidate, but many Salvadorans believe this was due to fraud.

Ungo is also a former member of the junta who resigned in protest against government policies.

Attaining agreement among the rightist, leftist and moderate factions is no easy task. Duarte said. He emphasized he wanted direct talks with no outside intermediary. The West German government and several international socialist organizations have offered to mediate.

Duarte was quoted recently as saying there would still be civil strife in El Salvador if there was no interference by the Soviet Union and the United States. The war would be waged between the rich who have been dispossessed of their property and the poor who have for many years been fighting to take land from the rich, he added.

Duarte still stands by that statement but adds that communism is so entrenched in El Salvador that it cannot be taken lightly. A staunch Christian Democrat, Duarte has been described as being more anti-Soviet than U.S. Secretary of State Alexander Haig.

The Salvadoran government, Duarte said, recently supplied the United States and other nations with information on the smuggling of arms by the Soviet Union through Nicaragua.

If he can help it, Duarte said, there will be no communist foothold after the 1982 elections. Referring to the leftist guerrillas, he stated that "everyone will be free to vote except those committed to violent solutions."

Because of his dedication to combatting communism. Duarte said he does not mind the United States using El Salvador as an East-West point of confrontation.

"The whole world is looking to El Salvador right now," he said, "because we serve as an example for other countries being threatened by communism. How they fare later will depend on how El Salvador fares today in its fight for democracy."

In the midst of conflicting reports on El Salvador Duarte said he would like to reassure the American people of his and the junta's intentions.

"We realize we are only a temporary government. The free elections will establish a permanent one. I think it is very important for the American people to understand that we are fighting for democracy. We need the faith of the people not only of this country but of the world in order to succeed in our attempt at establishing a democratic society in El Salvador," he said.

"Therefore we are asking for a chance to obtain our dream. Our situation here is not a simple situation. It is very complex. Above all, we need all the Christian people of the world to pray for us," Duarte said.●

LT. COL. HARRY FLOWERS

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. PURSELL. Mr. Speaker, a few days ago, a group of very appreciative people joined to honor Lt. Col. Harry Flowers, the longtime West Point liaison officer for southeastern Michigan. Knowledge of his outstanding work, however, should not be limited only to those of us from that area, because it can serve as an inspiration to many throughout the Nation.

Colonel Flowers' official functions are to assist in recruiting and helping prospective candidates for the Military Academy. While performing these important tasks in an exemplary manner, he has continually gone beyond the call of duty and personally touched the lives of hundreds of young people and their families in very meaningful ways. Late hours, missed meals, and personal sacrifices have been routine as he has always made himself available at anytime, day or night.

I believe that his qualities were best summed up in a letter from a cadet, which was read at his testimonial dinner. It read, in part:

> The personal interest you took in each of us will not be forgotten, but will be an example to us as we pursue careers as officers. With an officer such as yourself as an example, the Army's future looks bright.●

PERSPECTIVE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. DERWINSKI. Mr. Speaker, as we prepare to welcome President Reagan tonight, I wish to direct to the Members a very spirited editorial commentary by Ann Bradley, the editor of the Christian Citizen, which is published in Lansing, Ill. Mrs. Bradley's comments appeared in the March 1981 edition of that publication, and I believe that they are well worth reading:

PERSPECTIVE

(By Ann Bradley)

Freedom—that often illusive dream sought by every American, spoken of from podiums and pulpits, cherished by all and abused by most. In a sprawling land of more than two hundred million people our Constitution provides the umbrella of protection necessary to serve such inherent diversity. Though perhaps tattered in recent months, the United States Constitution continues to shine as a beacon of hope to all people who seek to be free. It is still possible to have freedom of expression, freedom to make choices, freedom to live useful lives while holding fast to that belief which is the "American dream."

Government was intended to serve the people, not the converse. That means that every citizen has the right and the responsibility to preserve the principles upon which our Constitution is based. When individuals ignore God's laws, the consequences must be suffered. So it is with a nation that refuses to honor those laws. Individual as well as national freedom is threatened when those guidelines are ignored. In a republic where the power to control rests with the people, therefore, preservation of freedom becomes the responsibility of all. And that is the other side of the freedom coin—responsibility.

We, the American people, have been offered a new beginning. It is our responsibility to work through appropriate channels to restore confidence in our system of government. The moral fiber of our nation has weakened at the hands of secular Humanists—that element of society which believes that moral values are self-determined and situational. Initative must be taken by responsible citizens to reclaim those standards which are Biblically centered.

President Reagan seemed to catch the spirit of many Americans when he spoke of the need to restore confidence in our government: "So with all the creative energy at our command, let us begin an era of national renewal. . . . I believe we, the Americans of today, are ready to act worthy of ourselves. As we renew ourselves here in our own land, we will be seen as having greater strength throughout the world."

The very fact of new leadership presupposes renewed interest in government, but that is not enough. Those of us who believe strongly in the power of prayer must continually pray for insight and wisdom for our leaders that they, in turn, will make choices which guarantee that government will be representative of the majority. If those who are called by His name will accept the challenge, "national renewal" will be evident.

The preening of America . . . must start with purging apathetic attitudes toward government. It must be strengthened to include a commitment by responsible people to be informed, particularly concerning family and ethical issues. And it must develop to the point of an action-oriented determination that secular Humanism not be allowed to erode those principles upon which our national freedom is built.●

OREGON SHAKESPEAREAN FESTIVAL

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. WYDEN. Mr. Speaker, the Oregon Shakespearean Festival is one of our State treasures. Founded in 1934, this unique festival located in the picturesque town of Ashland in the southern Cascades draws large numbers of families to its annual summer performances.

I would like to commend the Oregon Shakespearean Festival Association for the excellent job they have done to keep ticket prices at an affordable level.

I would like to point out, however, that one of the reasons they have managed to maintain their standing as a "people's program," has been assistance they have received over the years from the National Endowment for the Arts.

Not only is direct funding from NEA important, but recognition achieved through receipt of an NEA grant encourages private donations. Since NEA was established in 1965, private giving has increased 1,200 percent. I find this figure to be fairly astounding.

I would like to share with my colleagues a letter I recently received from the Oregon Shakespearean Festival Association in support of funding for the National Endowment for the Arts funding. It is a persuasive argument.

The letter follows:

OREGON SHAKESPEAREAN FESTIVAL ASSOCIATION,
Ashland, Oreg., March 17, 1981.

Hon. RON WYDEN,
Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN WYDEN: This is written in response to the Reagan administration's announced intention to reduce the budgets of the National Endowment for the Arts and the National Endowment for the Humanities by 50 percent for Fiscal Year 1982. The President himself, in announcing such a proposal, declared that this particular pull-back by the Federal Government would be more than offset by increased private sector, especially corporate, contributions.

We believe that most Americans identify sympathetically with the goal of getting this nation's economy back on the right track. Most would even support, apparently, across-the-board expenditure reductions that are mindful, equitable and not unduly burdensome on any one or few constituencies. We submit that this particular proposed reduction is neither mindful nor equitable, nor is it in tune with known facts about the present capacities of the private/corporate sector. One is tempted to say that it even verges on someone's notion of the punitive.

As countless articles and news media reports have shown, the downturn of the economy together with incredible inflation are putting the brakes on the recent increases in private/corporate largesse. Except mainly for large oil companies, the story from all sectors of the country is the same: Depressed retail sales, too high interest rates, company lay-offs and cutbacks are all conjoining to cause a pull-back in corporate and foundation gift planning. In short, the President's assumption may be correct for the long-haul, but it could be disastrous for the near-term haul. Many arts organizations simply cannot survive those near-term years on the expectation of extensive increased private/corporate support.

The Oregon Shakespearean Festival Association completed its 46th season in 1980, and is one of the oldest and largest not-for-profit repertory theatres in North America. In 1980, we attracted 265,000 persons to 579 performances of 12 plays in our three theatres. When one considers that only 9 percent of these patrons live within 150 miles of Ashland, and that only 40 percent of all of our patrons come from within Oregon, one can begin to see that, along with Crater Lake, the Festival is one of the largest generators of tourism in Oregon. And tourism is Oregon's third largest industry after timber and agriculture, both of which are having problems. Using the State of Oregon's own conservative multiplier, the Festival has a 1980 economic impact of over $41 million.

Yet we are scrambling to stay alive! Our annual earnings gap has now reached $700,000, or 23 percent of our $3 million 1981 budget, and it is growing. Our "gap" is small compared to the 40 percent to 70 percent plus gaps of other major arts groups. But because of the dispersed character of our audience and our geographic remoteness from major urban centers, we face relatively greater difficulty in meeting this annual need. We have priced our tickets over the years to recognize the travel costs our patrons must bear to see our plays. We have been consciously aware of the needs of senior citizens on small fixed incomes, and of more than 70,000 school students whose contacts with the Festival in 1980 were heavily subsidized by us. Even so, you will note from the enclosed chart that our top ticket prices have increased 50 percent in the last five years. Further increases, together with inflated costs of travel, could make serious inroads on our future sustenance.

In a day when the Federal Government is spending $52 million on military bands, but only $13.5 million on the arts and humanities, such a cutback as that proposed by Reagan, Stockman and company is, to us, unthinkable.

We hope to receive a reaction from you at your earliest convenience.

Most cordially,

JAMES K. SOURS, Ph. D.,
Director, Resource Development.●

FIFTH ANNUAL "SWEET POTATO AFFAIR"

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. LONG of Louisiana. Mr. Speaker, I want to prepare my colleagues and their staffs for a taste of extraordinary tomorrow, April 30.

On that day, the Louisiana Sweet Potato Commission will be providing a complimentary serving of Louisiana yams at lunch in the House dining room. As you enjoy this treat, I hope you will consider these facts about the savory, versatile—and extraordinary—golden Louisiana yam.

A Louisiana yam is technically a sweet potato, but it is different from any other sweet potato in the world. Unlike the dry-fleshed sweet potato, it was scientifically developed to have golden, moist flesh; a copper-toned skin; and rich, sugary taste.

Yams are certainly among the world's most versatile foods. They are available fresh, frozen or canned. They can be baked, french-fried, boiled, stuffed, candied, or escalloped. They can be eaten by themselves or in casseroles, baked into pies and puddings or served as a menu complement to almost any meat.

Do not tell your kids, but yams are good for them. Developers of the Louisiana yam took great pains to give each golden tuber 150 percent of the recommended daily dietary allowance of vitamin A—essential for healthy bones, teeth and skin and crucial for good night vision.

Sweet potatoes have a colorful history. Christopher Columbus thought so much of sweet potatoes that he took some back to Spain with him. DeSoto found sweet potatoes growing in what is now Louisiana.

The word yam, by the way, is thought to come from the Senegalese word "nyami," meaning "to eat"—which is precisely what I invite you to do with us April 30. Bon appetit.●

SUPPORT FOR COMMUNITY MENTAL HEALTH REFORMS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. McKINNEY. Mr. Speaker, on April 14, I testified before the U.S. Senate Subcommittee on the Handicapped in Hartford, Conn., on the problems surrounding the national policy of deinstitutionalization. I include this statement in today's RECORD for the attention and consideration of my colleagues.

STATEMENT OF HON. STEWART B. MCKINNEY

Mr. Chairman, I appreciate the opportunity to appear before the Subcommittee on the Handicapped to express my views on the current level of care and services for the mentally retarded in Connecticut.

Over the past two decades, the policy of institutional custody for the mentally retarded in this nation has been virtually eliminated in favor of complete treatment and rehabilitation in the community. As you know this transition has occurred with the goal of universal community care in mind. Today, however, it is clear that this noble goal has produced a fragmented, uncoordinated, and even harmful mental health delivery system which mandates placement of many patients in community settings and encourages frustration and anger on the part of all those affected. In the next decade, therefore, it is my hope that we can bring about a moderation of the emotional rhetoric on this matter and provide retarded citizens the option of choosing the most appropriate and beneficial form of treatment.

In 1963, President John F. Kennedy presented what was to become a national objective for the treatment of our nation's retarded citizens: the transfer of the mentally disabled from large state institutions to small community treatment centers. This approach has been applied primarily in four areas of public social policy: adult criminal justice, juvenile delinquency, mental health and mental retardation. In all four areas policies and programs are carried out at federal, state, and local levels.

Treatment of the mentally retarded as designed by the Kennedy Administration was a massive reform in the delivery of services. The Kennedy goals were threefold: to move treatment centers from state hospitals and training schools to community facilities; to prevent the causes of mental retardation; and intensify efforts to discover the causes of mental retardation. Upon the recommendation of the Joint Commission on Mental Illness and Health, the core of that plan became the Community Mental Health Center (CMHC). The CMHC was designed to provide a broad range of services intended to replace state institutions. Specifically, the CMHC goals were: prevention of unnecessary hospitalization; curtailment of the length of hospital stays when it was required and the assimilation of patients into the community for rehabilitation. Both the representation of social reform and the realization of budgetary savings earned Kennedy's program swift, bipartisan support in Congress.

The refinement and expansion of the Kennedy plan has continued in a rapid yet uncoordinated manner since the enactment of the Community Mental Health Centers Act seventeen years ago. In subsequent years five presidents have endorsed the concept and goals of the program. Federal initiatives helped solidify this approach as the dominant theme in the care of the retarded. In later years, other federal programs, such as Medicaid, Supplemental Security Income, Vocational Rehabilitation, and Development Disabilities, have been enacted or amended to allow more mentally disabled persons to live and be treated in their communities. In addition, Federal District Court decisions have mandated that states direct their rehabilitation effort into the community treatment centers and away from state institutions. In *Wyatt* v. *Stickney* a federal District Court in Alabama ruled that the mentally retarded had a "constitutional right to treatment in the least restrictive setting necessary" and in *O'Connor* v. *Donaldson* the Supreme Court ruled that "a state cannot constitutionally confine a nondangerous person who is capable of surviving safely in freedom without offering treatment to that individual."

I wholeheartedly endorse the aspirations and objectives of the community mental health center movement. I do so in the belief that, where feasible and appropriate, community care is the most proper and humane form of treatment for the retarded. However, upon examination of the current status of community care facilities and programs nationwide, it is clear that the implementation of these original goals has verged upon disaster. This serious lack of progress in attaining national objectives for the retarded is causing hardship, injury, and in some extreme cases, even death.

There are three basic faults with the current treatment delivery system for the retarded. First, there is a critical shortage of community treatment centers. Second, discharged patients are not being rehabilitated in the community thereby causing unnaturally high readmission rates to state hospitals. Finally, the use of nursing homes as a substitute for community care facilities or hospitals is highly unsatisfactory.

The appalling shortage of community rehabilitative facilities is the primary shortcoming of the current community treatment of the retarded. As a result of federal initiatives, rapid discharges of patients from state hospitals into the community took place from 1955 to 1975, causing a 65-percent reduction in the census of residents at state hospitals. Unfortunately, Mr. Chairman, the broad spectrum of community services needed to suitably care for the newly discharged patients was not established. As a result patients were abandoned to a neglected, uncertain existence. A 1977 General Accounting Office report on the Mentally Disabled (defined therein as the mentally ill and the mentally retarded combined) stated "many mentally disabled persons have been released from institutions before sufficient community services and facilities were available and without adequate planning and followup. Others, enter, remain in, or reenter institutions unnecessarily."

While many mentally disabled persons have been released from institutions and placed in group homes, foster care homes, and supervised apartments, with a satisfactory range of services, others have not fared as well. The GAO report described many community residences as "overcrowded, substandard, and dirty facilities, without provision being made for needed services." Importantly, the GAO report found that these problems occurred in "all of the states we reviewed. Studies done by others identified this problem in other states." In extreme cases, Mr. Chairman, the poor condition of a boarding home due to a lack of Federal and State minimum standards, and inadequate support staff has led to death for some residents. In 1980 and early 1981 a total of sixty-four residents of several New Jersey boarding homes perished in fires. According to preliminary reports of the U.S. House of Representatives Committee on Aging "most victims appeared to have been recent residents of state institutions for the mentally impaired or retarded." We cannot allow patients to be discharged to facilities of such poor quality which may endanger their health and well being.

The second glaring weakness of the current method of community care is the significant increase in readmissions to state hospitals. According to a 1978 Scientific American, article, "admissions to state hospitals increased from 178,000 in 1955 to a peak of 390,000 in 1972 and had declined to only 375,000 by 1974. Moreover, a growing proportion of these admissions were readmissions with about one-half of the released patients readmitted within a year of discharge." While the Department of Health and Human Services no longer collect admissions data from state institutions, a study conducted by the National Association of Superintendents of Public Facilities for the Mentally Retarded stated "the primary reason for the readmission was a lack of community services such as living accommodations, comprehensive services, and followup. The failure to adjust to community living and community rejection were also cited as factors." This readmission syndrome reached the absurd in Nebraska where twelve patients have been released and readmitted a total of 127 times and one patient has been readmitted 27 times. I point this out only to present the lack of a comprehensive, coordinated, and effective nationwide community rehabilitation system. Finally, the use of nursing homes has in effect transferred patients, not to a community setting, but from one institutional setting to another. The National Center for Health Statistics showed a 48-percent increase in the number of nursing home residents with mental disabilities from 1969 to 1977. One of the prime goals of the Kennedy reforms was to place patients in small, community-based homes. However, a study by the Department of Health and Human Services concluded that "more than fifty percent of the nursing homes residents were in facilities with 100 beds or more and about fifteen percent were in facilities of 200 beds or more." In addition numerous incidents of questionable practices have emerged concerning the unsupervised care received in Skilled Nursing Facilities and Intermediate Nursing Facilities. The 1977 GAO report stated "many of these are not staffed or prepared to handle the developmental or pyschiatric needs of the mentally disabled. Some did not meet safety or patient care standards. Some were so large in effect, that persons were moved from one institution to another." The net effect of this policy is not a community environment conducive to rehabilitation, as President Kennedy outlined but another form of an institutional environment with substandard levels of care.

Clearly the appalling lack of necessary community services, the extraordinarily high hospital readmission rates, and the extensive use of improperly administered nursing homes, indicates that the goal of rehabilitation in the community has not been accomplished. Because the responsibility for the mentally disabled is generally fragmented and unclear many have suffered needlessly. I am very concerned that under the guise of community care many states are using a poorly written federal policy and the potential for budgetary savings to clear institutions of patients and "dump" them in the community where they are without even minimal services. In short, we have moved from institutional "warehousing" to community "warehousing". Since this policy can no longer be tolerated we must act to restore the use of state hospitals when community facilities are unavailable. This option, if not the most desirable, is certainly more humane than allowing the mentally disabled to be released to a life of uncertainty, unspeakable squalor, and possible death.

Mr. Chairman, I want to reiterate my conceptual support for the community mental health center reforms. Where appropriate and feasible they represent the best possible care for the retarded. However, premature implementation of total deinstitutionalization is irresponsible, immoral, and a disservice to those retarded citizens it intends to serve. While analyzing this issue my goal will be to allow specific treatment for an individual to be determined, not on the basis of ideology, but according to that individual's need for services. While individuals should not be placed inappropriately in institutions, neither must they be dumped indiscriminately onto the streets. The states should maintain a full range of high quality comprehensive community and institutional services in order to best meet the needs of the mentally disabled. With this in mind, I have solicited comments from mental health directors, professional associations, parents groups, and other interested parties to determine what is necessary to achieve this solution, in an equitable manner.

My statements today are not for the purpose of criticizing any group or organization, but to point out how far we have strayed from our original intentions. Nor is it my purpose to suggest a radical deviation in our national policy for the mentally disabled. Rather it is my hope that the community mental health system can continue in a more rational and reasonable manner, providing the greatest possible alternatives for mental health care and services. While it cannot be said that we have failed completely, it can be suggested that the way we are proceeding is unsatisfactory. We can do better and for the sake of those served, we must.●

ALBERT H. KRAMER—A DEDICATED PUBLIC SERVANT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. SCHEUER. Mr. Speaker, it is a fact of political life that, when a new administration takes office, a large number of dedicated executive level public servants are required to take leave of their positions so that the policies of the new administration can be effectively carried out. That is as it should be.

Nevertheless, it is inevitable that this transition often leads to the loss of highly dedicated and capable civil servants who have endeavored in the course of their duties, not to promote the interests of any one party, but rather to serve the public. While it has become fashionable to decry the control that faceless bureaucrats have over our lives, the fact is that we all depend on these men and women to carry out the important day-to-day activities of our Government and that, for the most part, they are capably doing the difficult jobs that we in Congress or in the White House have asked them to do.

Most of our civil servants never get our thanks when they have done their jobs well. From time to time, however, it is appropriate to recognize the accomplishments of a few individuals who have performed their jobs in an outstanding fashion.

One such individual is Albert H. Kramer, who, for the last 3½ years, has been the Director of the Bureau of Consumer Protection at the Federal Trade Commission. Anyone familiar, as I am, with the enormous storm of controversy over that agency during the last several years, knows that his job has been a most difficult one. Members of Congress have been besieged by an army of powerful special interest groups, all seeking exemptions from FTC actions designed to do no more than give consumers a fair break in the marketplace. We have heard from funeral directors, who do not want to tell consumers about options and prices; used car dealers, who do not want to tell consumers about their lemons; dentists and doctors, who do not think the rules of fair competition should apply to them, and countless other special pleaders.

Throughout this unparalleled attack by a powerful coalition of special interest groups, Al Kramer has set a clear and steady course. He came to the Hill time and again to explain, calmly and cogently, the purpose behind the various FTC actions under attack. He avoided rhetoric and focused on the real issues, rejecting staff proposals or consumer group proposals which went too far, and supporting proposals which had a sound basis.

Within the Bureau, Al Kramer was instrumental in bringing a sound policy and economic analysis to all major consumer protection actions to be certain that the benefits of those actions outweighed their costs. That type of tough analysis did not always win him friends within the FTC, or indeed, with some consumer groups. But I believe that it has brought a significant measure of integrity to the FTC which will, in the long run, be to the benefit of the agency and to all American consumers.

Mr. Kramer was also responsible for refocusing the attention of the Commission on an issue which really affects consumers, particularly our elderly and less affluent citizens; the ever-increasing menace of inflation with respect to health care, transportation, energy, and other unavoidable essentials—even the high cost of dying. His solution to this problem was a healthy dose of fair competition * * * hardly a radical response. Other important problems were also addressed, such as the declining quality of many of our consumer products, the ability of sellers to avoid fair competiton by not disclosing critical information about their products, self-imposed voluntary restrictions on competition by many professional groups, such as lawyers and doctors; and others, too numerous to list.

The consumers of America owe Mr. Kramer a debt of gratitude. In a time when consumer protection has become a synonym for overregulation, Mr. Kramer has maintained the momentum of the consumer protection mission of the FTC by carefully tailoring the activites of the agency to those areas where consumer harm is the greatest and where FTC action is most likely to have the greatest benefit.

Mr. Kramer's hard work—his legendary late nights and frequent weekends at his desk—may well go unnoticed by most of the Americans who will most benefit from that work. But for those of us who have had the privilege of working with him, it is only appropriate for us to stop, in the midst of this transition to another administration, to simply state our appreciation for a job well done.●

A TRIBUTE TO OMAR BRADLEY

HON. JIM JEFFRIES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. JEFFRIES. Mr. Speaker, on Wednesday, April 15, 1981, America lost the last of her five-star generals, Omar Bradley. General Bradley was known by his troops as the "GI General," and for good reason; he took them through the trials and conflicts of World War II with care and compassion, with a true concern for the well-being of the men under his command. He ate, slept, and marched with the guys who had to face the hardest tasks—the average GI whose job it was to spearhead a drive into the Nazi lines. He did this because he knew, as a good leader should know, that the men under him were his most valuable resource.

Like many of my colleagues, I fought in the Second World War, and I know firsthand of the dedication of the men who fought under General

Bradley, as well as his own dedication to American ideals and causes. There can be no doubt, in these days when we must question the strength of our national defense, that America will sorely miss the proud leadership and caring of Gen. Omar Bradley.●

SPENDER MOURNS BYGONE ERA

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. LEBOUTILLIER. Mr. Speaker, as the majority and minority parties in the 97th Congress begin to sharpen their arguments and line up votes in anticipation of a showdown over President Reagan's budget cut proposals, I feel it necessary to bring to your attention, and the attention of my distinguished colleagues, an analysis of where we stand at this point in the legislative process and our Nation's history.

The political pendulum swings slowly, but surely. Over the years, we have witnessed an ebb and flow of opinion and policy, and acted, more or less, in accordance with the mandate of the American people.

I submit to you, Mr. Speaker, that the pendulum has swung away from the policies of the recent past. That is a fact transcending political considerations.

This is a time for badly needed change. The observations contained in the following article are not partisan. Rather, they reflect the learned experiences of a distinguished member of the Capitol Hill press corps.

There is no greater critic, no greater skeptic than a member of the free press—and rightly so. It is their responsibility to report facts and relate, as best possible, the impact of an event or trend.

I believe this reporter has fulfilled that responsibility well. I also believe he speaks the truth when he suggests that the days of big Federal spending are gone.

Mr. Speaker, as the great debate over the President's budget cuts continues, I hope you will keep the sentiments of this thoughtful work in mind.

The article follows:

[From Newsday, April 8, 1981]

SPENDER BEMOANS CHANGES

(By Myron S. Waldman)

WASHINGTON—One of the last of the big-time spenders sat in front of bacon and eggs yesterday and mourned the twilight of the dwarfs.

"I remember when a doctor came in and told us the average dwarf was 26 inches high," House Speaker Thomas (Tip) O'Neill (D-Mass.) told a group of reporters at a breakfast meeting. "He said he could increase that to 52 inches. He brought in six dwarfs. Magnuson [former Washington Sen. Warren Magnuson] put in $45 million [for research].

"I remember putting in $18 million for knock knees. I put in $160 million for research on cancer of the breast. I put in money for research on spinal injuries. Whales can fuse [their spines]. China and the Soviet Union were doing research, and the greatest nation on earth wasn't. There are thousands of veterans who need it.

"We used to be able to sneak them [the money bills] in. Nobody knew. Nobody is going to be able to do that anymore.

"There are 150,000 dwarfs in America."

The silver-haired six-footer continued his reverie. "Does anyone have an obligation?" O'Neill demanded. "Is that the obligation of federal government? I think it is."

He kept talking. "I'm just giving my philosophy of government," the nation's most powerful elected Democrat said, as he dwelt on past government efforts to help people. "That day is gone now. The people are more interested in a second home, better recreation, more education."

"It's a combination of many things. Fifty-seven per cent of America was impoverished when Roosevelt was in. Now it's 8 per cent. I don't want to say people have changed. I don't want to say people are selfish. With affluency, people change."

At a moment in history when the word "spend" is political death for a member of Congress, O'Neill grinned and said without being asked: "I've been one of the big spenders of all time. The southern press has been murdering me. Ah, I've been a big spender."

There is pride in his words as he remembers the spending of the in-power Democrats. "During the last 50 years, we built America," O'Neill said. "The record is out there for proof of that. Middle-class America was developed."

But then, O'Neill acknowledged, the Democratic Party became tangled in what it had wrought. "Too much red tape," he said. "Too much idealism. Too many people from the academic world. Not enough from the business world."

"In many instances, we went too far."

Examples? "Clean air. Clean water," O'Neill said. "The '80s are a different era. We appreciate our mistakes."

Now, he predicted, the Democrats will rescue President Reagan from what the speaker says is another mistake. The administration, O'Neill said, will get only a one-year, 10 per cent cut, not the longer-term 30 per cent tax cut it is so ardently seeking. "There are only three members of the Ways and Means Committee willing to vote for Kemp-Roth," O'Neill said.

As for the budget cuts, O'Neill said that in the dollar figures they will come out pretty much the way Reagan wants them, pretty much the way the Republican-controlled Senate passed them. But those cuts, he said, will be made in somewhat different programs. He said they will be more along the lines outlined by House Budget Chairman James Jones (D-Okla.). Despite the fears that Reagan has a mandate from the people, O'Neill went on, the divided Democrats "have been able to put a coalition together" on the budget cuts.

His strategy of ordering his committee chairmen to hold hearings on the cuts, with the witnesses not being academics but those who are affected by the proposed slashes, is starting to have effect—at least according to the speaker. Conservatives in the House, he said, are starting to tell him about the howls from local officials over proposed cuts in money for school lunches.

Other programs, he admitted, are finished. "CETA is gone," he said of that public jobs hiring program. "We'll stay with the training programs."

O'Neill also had a confession. He really likes Reagan. "He has more charisma, more class, more 'duende'—That's a Boston expression [for class]. He's got political smarts. He's hip. He's tremendously disarming. As an individual, I think he's terrific."

Two weeks ago, O'Neill said, his mail finally began to swing against Reagan. But then came the assassination attempt. When he visited Reagan in the hospital, O'Neill said, he had to tell the wounded President the truth—that since the shooting he had received 1,400 letters in favor of Reagan's programs; 450 against. Reagan, O'Neill said, responded from his hospital bed with: "That's the greatest news I've heard today."

The Speaker of the House was done. Sadly remembering the nearly filled plate that the waiter had taken, he said: "I want to thank you for that one piece of bacon."●

NO CONSTITUTIONAL SHORTCUTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. EDWARDS of California. Mr. Speaker, opponents of the Supreme Court's decision setting forth the right of women to choose abortion apparently have come to the conclusion that they lack the two-thirds vote necessary to propose an amendment to the Constitution overruling that interpretation of the 14th amendment. Unfortunately, they have set upon a course calculated to bypass the law of the land—a statutory proposal that would dramatically alter the meaning of the Constitution. Such an approach is dangerous and foolish, for it would create a precedent devastating to the very fabric of our form of government. The Los Angeles Times, in a recent editorial, stated this problem well:

BAD, BAD, BAD

The 14th Amendment to the U.S. Constitution denies the deprivation of "life, liberty or property without due process of law." Some members of Congress would like to redefine when a person's life begins so that abortion would be illegal. They are seeking to throw out legislatively a Supreme Court decision that they lack the valid constitutional arguments to have overturned judicially or the political strength to change through the normal process of amending the Constitution.

On Thursday and Friday, a Senate subcommittee on the separation of powers will hold hearings on a bill sponsored by Sen. Jesse Helms (R-N.C.) and Rep. Henry J. Hyde (R-Ill.). It seeks to resolve a question left open in the Supreme Court's 1973 Roe v. Wade decision that legalized abortion. The question: When does life begin? The Helms-Hyde measure says life begins at conception. If passed, the bill would allow states to pass laws abolishing both abortion and some birth-control techniques that work after conception.

This attempt to redefine the Constitution is bad law and bad public policy, not to mention bad news to women in general. From the viewpoint of some anti-abortion forces, the bill is even bad politics. They disagree among themselves on what tactics would best achieve their ends—whether to reach for legislation that might well prove unconstitutional and would be unwieldly to implement, or for a constitutional amendment.

Doctors invited to testify this week must limit their comments to the immediate question of when life begins. There can be no discussion of the constitutional issues or of enforcement if such a simple-minded law were passed. Is this any way to write legislation?

If the Helms-Hyde bill passes, the damage to the Constitution and the tested methods of revising it could be irreparable. Those able to command a simple majority could then redefine anything, without having to submit fundamental changes to state legislatures as required now for constitutional changes.

And, if the Helms-Hyde bill passes, it will raise many more questions: Will an abortion after a rape be murder? Will there be a bureaucracy—a Federal Bureau of Pregnancy Investigation, perhaps—created to check on the termination of each pregnancy?

It is ironic that many of the same groups determined to get government off people's backs are trying to give government a new role in one of the most personal of all decisions—whether or not to bear a child.●

SENATOR GLENN ADDRESSES GODDARD MEMORIAL DINNER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. FUQUA. Mr. Speaker, recently Senator JOHN GLENN gave a very thoughtful address to the Goddard Memorial Dinner of the National Space Club. In his remarks Senator GLENN argued forcefully that the United States now stands at a critical crossroad with respect to the exploration of space and indeed all research and development. While we do have to deal with the problems of inflation that we face today, we also must look ahead and make sure that we do the research now that will provide for tomorrow's innovation and productivity growth.

The Senator's remarks are timely and cogent, and for that reason I am inserting them in the RECORD, to make them available to all Members.

REMARKS OF SENATOR JOHN GLENN

Thank you, Jim (Hart) for that most gracious and generous introduction. You know, I find it almost unbelievable that we are fast approaching the 20th anniversary of my flight in Friendship 7. Twenty years! Although I was reminded tonight that my own adventure in space is now almost two decades old, I am delighted to be here and am deeply honored that the National Space Club asked me to participate in this year's Goddard Memorial Dinner. Tonight's dinner is particularly special, since we are standing on the thresh-hold of the Space Shuttle launching. It is altogether fitting that the calendar has brought these two events together. For just as Robert Goddard's rocket experiments in 1926 ushered in the Space Age, so the launching of the Space Shuttle will open a whole new era—an era in which man will probe ever deeper into this Last Frontier.

With the Space Shuttle, the possibilities are as exciting as they are unlimited. It is the largest, most powerful and most complicated space vehicle ever launched. Because it is reusable and can return from space to land like an airplane, it is both versatile and economical. It will dramatically increase our knowledge of Earth and its resources—and perhaps even provide us with clues as to how we can someday become independent of the Earth's environment. In 1983, the Shuttle will launch the Space Telescope, a 22 thousand-pound piece of equipment that will enlarge our view of space seven-fold and bring us closer to answering age-old questions concerning the origins and nature of life, matter and energy. And as important as these cosmic questions are, the principal justification of our space program lies in the benefits it provides not just to us in the future alone, but to us in the here and now—benefits which will enhance the lives of each and everyone of us. And, although estimates vary, some experts have suggeted that the space program has had a cost-benefit ratio as high as 8 to one.

But, perhaps equally inportant, the Space Shuttle will signal America's return to space after an absence of almost six years—an absence that has not gone unnoticed in the world community.

Let us reflect for a moment on the theme of this evening's program: "A Time for Decision." In the Spring of 1981, that theme is particularly appropriate. It is appropriate because America today truly stands at a critical crossroad—not only with respect to space, but also with regard to the broader issue of all U.S. research and development. And like the traveller in Robert Frost's immortal poem, the road we choose will have enormous impact on our future—and that of our children today.

Today, man's most fundamental tool in the quest for knowledge—basic research—is under sharp attack. Evidence of this hostility is all around us. It manifests itself in the shrinking number of research grants available to our universities. It is apparent in the devastating slashes that have been proposed in the NASA and National Science Foundation budgets. And it shows up even in the halls of Congress where important basic research is often cynically disparaged and presented with facetious "awards" which imply that it is little more than a clever rip-off.

Similarly, many Americans greet our return to space with something less than enthusiasm. For these people, space exploration is too costly, too visionary and too far removed from such "real world" problems as hunger, disease and poverty.

Does research sometimes seem unrealistic? To those enmeshed in the complexities of the "real world", it is bound to seem that way at first—just as it always has in every historical epoch. But let us remember that we ourselves live in a "real world" created by previous generations of emigrants who set sail from another "real world" in pursuit of a dream.

Is exploration of the unknown merely an "escape" that we can no longer afford? Was our first human ancestor who rose on two legs to discover new horizons "escaping" the problems of his age? We could go back in our minds to see a group of cavemen. Perhaps we could see one adventurous caveman in the group who is sitting with his peers, wondering what's over that nearby hill. And his fellow cavemen are telling him he's crazy to think about going beyond the hill. "We have enough food here, and only 15 percent of our people died in the cave last year. Why go over there?" they're asking him. Well, he goes over the hill anyway, and he finds some different types of food; there's even more sun than he had in his own valley. He returns home with his treasures, finding years later that his people are living longer, becoming more healthy because of the treasures he brought them.

Did Columbus, Vespucci and Cabot "escape" the problems of their age or contribute to their resolution by going beyond that next hill or ocean? Again and again history demonstrates that when solutions at hand don't solve the problem, it is time to reopen the quest. Only by doing so can we reap those marvelous by-products of the inquisitive, innovative and inventive mind and discover the unexpected possiblities that emerge when we encounter unknown worlds either at the end of a telescope or a microscope.

Does research and development seem a fanciful extravagance unlikely to produce tangible results? Let us remember that the one thing we know about research is that it is not amenable to the rigors of cost accounting. How can we know in advance what we're looking for? Or, what we'll find? Rarely can we see at the outset what ultimate benefits research will bring us. If you doubt that, listen to what the astronomer, William Pickering, said about air flight after the invention of the airplane:

". . . the popular mind often pictures gigantic flying machines speeding across the Atlantic carrying innumerable passengers . . . It seems safe to say that such ideas (are) wholly visionary, and even if a machine could get across with one or two passengers, the expense would be prohibitive."

Or, let us recall that the Edison Power Company once offered Henry Ford a managerial job, but only, as Ford put it, "on the condition that I give up my gas engine and devote myself to something really useful." And before we condemn specific scientific undertakings as foolish, let us recall that in 1945, Admiral William Leahy chided the development of the atom bomb by telling President Truman:

"That is the biggest fool thing we have ever done . . . The bomb will never go off, and I speak as an expert in explosives."

Or, we could go back and look at the technologists' record at forecasting the future. Their long-range record is even worse than that of today's economists. Technology forecasters in the 1930's, for example, missed the development of the computer, atomic energy, antibiotics, radar, and the jet engine.

I'm also reminded of a statement Daniel Webster made in the U.S. Senate when the Senate was trying to decide whether to spend more money to get west of the Mississippi River. His statement was to the effect that he could see no reason why to go out into this area of prairie dogs and wild savages, of howling winds and blowing sands. He finished his remarks by saying.

"Mr. President, I would not devote one cent from the U.S. Treasury to bring the West Coast one inch closer to Boston."

It will be twelve years ago this summer that Neil Armstrong and Buzz Aldrin first walked the cratered barrens of the moon. Many people assumed that the sole practical value of our space program lay in the political victory we achieved in beating the Soviets to the lunar surface. Many regarded our space effort as a cosmic drag race with the Soviets. And, if the moon was the finish line in the minds of those Americans, then we won the race and could quit our space efforts.

But, there was a significance to our landing on the moon that goes far beyond the satisfaction which comes from a dramatic and spectacular victory in international competition.

The success of the Apollo program gave mankind initial access to the literally infinite resources of the universe. Few Americans fully realize the extent to which the uses of space have already affected our daily lives since we achieved that initial success. Consider the following:

We now make quick, clear intercontinental telephone calls at half of what it cost 10 years ago, thanks to the ever more versatile and reliable communications satellites pioneered through our space program.

Satellite technology also permits us to transmit sharp, full-color television coverage of events transpiring anywhere on the globe having a mammoth impact on how man relates to man around the world. I think it would be fair to say that we've lived in a time when television stopped the first war—as we found in Vietnam.

Countless thousands of human lives and many millions of dollars have been saved through satellite warning of hurricanes, typhoons and other severe storms. The increased knowledge of Sun-Earth relationships acquired through such efforts as the Space Shuttle will permit far more accurate weather forecasts in the future and perhaps even the ability to modify weather and climate. We have found, for example, that during times of high solar activity, the Van Allen Belts moved, changing the hearing of the upper atmosphere as well as the flow of the jet-streams. The result was a change in our weather here on Earth.

Our digital watches, hand-held calculators and desk-top computers are direct derivatives from the integrated circuit technology developed for the Apollo spacecraft.

We can now navigate ships and aircraft to within yards. This equipment is even available for pleasure craft on the Chesapeake Bay, providing navigational fixes with the help of satellites.

Aircraft, automobiles, ships and even buildings are now more structurally sound and thus safer, due to the use of a computerized structural analysis technique developed for the construction of spacecraft.

And, worth every penny spent on the entire space program, is the increased security our nation has because reconnaissance and early warning satellites make a surprise attack on the United States more costly, less feasible and, therefore, much less likely.

And yet, despite these life-enhancing spinoffs, despite the fact that space research and development, even in its infancy, has provided the cutting edge of our technological superiority for almost 20 years, we are not pressing our advantage in space. We are all but abandoning portions of our civilian space program. The Administration's proposed NASA budgets for 1981 and 1982 will provide even less money, given inflation, than that agency had in 1969, the year Apollo 11 landed on the moon. The depressing result is that, except for the shuttle, the only new space missions that will be undertaken between now and 1986 are two that had been planned but previously deferred.

This is expecially disturbing in light of the stepped-up space activities of other nations. Since the last manned American Flight in 1975, there have been 21 manned Soviet flights. During that period, America remained earthbound while Soviet cosmonauts accumulated two years of spaceflight time.

The Soviet Union plans to orbit a permanent, 12-man space station by 1985. And some observers believe that the U.S.S.R. will soon announce its intention to send a man to Mars by the end of the decade. In addition, France and West Germany are hard at work on a low-cost booster that could corner the launch business. In a joint venture, China and Japan hope to orbit two astronauts for a full week by the end of 1986.

The loss of our once commanding lead in space should both embarrass and frighten us. We should be embarrassed because we are consciously choosing to default rather than to compete. We are consciously choosing that we will let other nations be the "first to know, to discover the new, to have available to them, first, the new information on potential energy sources, of earth resources analysis, of space weightless manufacturing, and of so many other things.

And we should be frightened because that default could some day prove literally fatal. Many experts are convinced that much Russian work aboard Salyut has been directed toward military applications of space research—applications such as electronic surveillance and satellite interception. Although I'm not one who sees a threatening Soviet behind every lamp post, but, given what we see going on in the world, God help us should we ever reach a decidedly inferior position in space while the Soviets develop not only "eyes and ears" in space but weaponry systems as well.

Currently, the Soviets are believed to devote 2 to 3 percent of their GNP on space—six times more than we spend. If we allow these trends to continue, we may soon find ourselves worrying about far more than balanced budgets or the relative wisdom of supply-side economics.

But a crucial point I wish to emphasize tonight is that the challenge confronting America in the areas of research and development is by no means confined to our space program. On the contrary. Whether we speak of national defense, industrial strength or energy independence, research and development is an indispensable tool for realizing our objectives.

Historically, America's willingness to facilitate and invest in research has been the touchstone of her pre-eminence. This point is well-understood by our international neighbors. In 1969, for example, Jean Jacques Servan-Schreiber, the French author and politician, wrote a book entitled, "The American Challenge." One of his central themes was that the United States surpassed the rest of the world economically and industrially not simply because of our waving fields of grain or purple mountains' majesties but because from our inception as a nation we had always promoted and financed inquiry into the unknown. We had devoted a larger part of our GNP to research than any other nation in history.

Piece by piece, increment by increment, new advances in knowledge multiplied—until, finally, a quantum leap forward was made possible. Research, and the technology we developed to exploit the fruits of that research, made America the wealthiest, most powerful and most productive nation on Earth in a tiny time frame in history.

In the 12 years since the publication of The American Challenge, however, there is mounting evidence that we are killing the proverbial goose that laid the golden egg. Over the past 15 years, the proportion of America's GNP invested in research has steadily declined, dropping over 20 percent between 1965 and 1979. During that same period, West Germany's investment in R & D climbed by 41 percent of her GNP, Japan's rose 27 percent and the Soviet Union's increased by 21 percent. These figures take on added economic significance when it is recognized that 50 percent of all U.S. research is defense-related, while less than 1 percent of Japan's and only 8 percent of Germany's is spent in the same fashion.

It is, therefore, hardly an accident that since the close of World War II, other nations have become alternative sources of industrial innovation. We're seeing employment leave our nation far too often. Nor is it coincidental that U.S. productivity and economic growth have lately been falling. Studies by such renowned economists as Edward Denison have shown that "advances in knowledge" constitute the single most important source of productivity gain, as well as of overall economic expansion. So while the U.S. economy may still be the world's largest, it is no longer the most efficient or the fastest growing.

Fortunately, American industry has recognized the danger and has been moving to meet it. According to a recent study by the National Science Foundation, industrial research and development has been rising in real terms since 1972. In January, Battelle's Columbus Laboratories forecast a continuation of this trend in 1981 and predicted that industrial R & D funding would climb 13 percent over last year's level.

Welcome as this news is, we must not be lulled into a false sense of security. For one thing, much of our industrial R & D is devoted simply to meeting the requirements of government regulation, rather than to the kind of risk-taking research that promises true technological breakthroughs. Historically, American industries have concentrated their efforts on applied R & D, leaving basic research mostly to the government and academia.

Each side works in relative isolation and collaborative research is often studiously avoided. In constrast, our competitors in Europe and Japan link industrial research to government and academic science. The result is that they are now surpassing us in a growing number of fields, perhaps the most conspicuous of which is the production of new scientific instruments. In my view, America can simply no longer afford a continuation of our traditionally "arms-length" research relationships. If we are to meet the challenges ahead, it is vital that we begin to encourage cooperative research ventures between the public and private sectors.

But even that will not be enough. We must also recognize that expanding industrial R & D does not mean that the federal government can now begin to reduce its own commitment to research. Much of the basic research needed to achieve energy independence, for example, is of so large a scale and requires so long a development period that it is simply unrealistic to expect the private sector to shoulder the burden alone.

American's dependence on foreign energy sources cost us about $100 billion last year—and it is estimated by some economists to account for between 40 and 60 percent of the increased inflation we have suffered over the past four years. Because our energy dilemma threatens both our national security and our national economy, involvement by the federal government is, to my way of thinking, clearly appropriate.

So, I am appalled that under the Administration's latest budget proposals, energy R & D has been mercilessly slashed. If these proposals are adopted, by 1982 conservation programs will be cut by 79 percent and solar energy development by 66 percent. Similarly, research on electrical energy storage—which could make solar, wind, geothermal and other alternative energy sources practical and usable—is being cut by 28 percent in 1981 and by almost 33 percent in 1982.

If I had one energy wish tonight, it might surprise you what it would be. My wish would be for better electrical energy storage that would enable us to take the power generated by wind, wave, tidal and solar power and store it for later use. If we could store this electricity, and bring it back when needed, as some research indicates we could do in the near future, we would have one of the biggest breakthroughs we've had for some time.

Electrical energy storage would also enhance development of the electrical automobile which could take care of 92 percent of the non-commercial driving we do within 20 miles of our homes. If we let the Japanese and the Germans beat us to the world's first practical electrical automobile, we will have nobody to blame but ourselves. And if that happens, we won't be bailing out Chrysler, we'll be asking for money to make Detroit a great national park on a scenic river.

Now, I fully recognize the need for budgetary restraint in these inflationary times and I support these efforts. But let us not be penny-wise and pound-foolish to what is going to happen to this country in 1985. Let us not seek fiscal frugality by mortgaging our future. And let us recognize that if the energy crisis constitutes the moral equivalent of war, as Jimmy Carter called it, failing to develop alternative energy sources could well be the economic equivalent of suicide. There are many areas today in which it is desirable and necessary to reduce federal involvement. But surely research and development is one area where even greater government support is clearly justified.

In today's world, failing to meet the R & D challenge is the surest way to forfeit our claim to world leadership. It's just that simple.

Let me close this evening with one final thought. In 1962, just before Wally Schirra's Mercury flight in Sigma 7, President Kennedy declared that:

"The exploration of space will go ahead, whether we join it or not . . . It is one of the great adventures of all time, and no nation that expects to be the leader of other nations can expect to stay behind in the race for space."

I submit that those words are equally applicable today—not just with respect to the space race, but also with respect to the global competition in research and development. For that competition may be the most compelling challenge of our age. History has shown that missing or retreating from such challenges almost inevitably leads to a loss of national eminence. Perhaps that is what the Immortal Bard, William Shakespeare, sensed nearly 400 years ago when he wrote:

"There is a tide in the affairs of men which, taken at the flood, leads on to fortune; omitted, all the voyages of their life is bound in shallows and in miseries. On such a full sea we are now afloat, and we must take the current when it serves or lose our ventures."

Thank you very much.●

THE SOVIET UNION AND UNITED STATES-SOVIET RELATIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. HAMILTON. Mr. Speaker, I want to share with my colleagues correspondence I have had with the Department of State regarding the Soviet Union's international role and our relations with the Soviet Union.

I wrote Secretary of State Haig on February 27, 1981, to solicit his perspective on a series of questions relating to broad policy issues to seek clarification of our policies toward the Soviet Union and to acquire any accurate assessment of Soviet domestic and international policies.

In the State Department April 6, 1981, response, there is some interesting discussion of the linkage between Soviet international behavior and U.S. participation in arms control negotiations and of the lack of internal domestic restraints on Soviet military spending and military expansionism with the consequent need for United States and international sanctions.

The correspondence follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 27, 1981.

Hon. ALEXANDER HAIG, Jr.,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: I am interested in your views on the Soviet Union, and I would like to ask you the following questions.

1. Is the Soviet Union dedicated to world revolution?

Is Soviet rhetoric in support of world revolution the expression of an ideal or is it a consistent foreign policy carried out routinely?

What is the record of the Soviet Union in promoting Third World revolutions, and do its successes outweigh its failures?

2. Is the Soviet Union an expansionist power?

If so, in what ways is the Soviet Union expansionist?

What constraints on those expansionist tendencies exist within the Soviet Union and which international and American constraints are most effective in stopping Soviet expansionism?

3. What is the record of the Soviet Union on respecting international agreements?

Have there been any written international obligations to the United States that the Soviet Union has not fulfilled or violated? If so, which cases, and in what specific way have they been violated?

Overall, do you consider the Soviet Union as reliable or unreliable in respecting their agreements?

What is our policy regarding future international agreements with the Soviet Union?

4. Is cooperation with the Soviet Union possible?

If so, in what areas and under what circumstances?

What will be the policy criteria used to make judgments on cooperation with the Soviet Union?

Is balance between cooperation and competition with the Soviet Union still an objective of our policy?

I appreciate your consideration of these questions, and I look forward to your response.

Sincerely yours,

LEE H. HAMILTON.

DEPARTMENT OF STATE,
Washington, D.C., March 31, 1981.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and Middle East, House of Representatives.

DEAR MR. CHAIRMAN: You will recall that on March 12, I acknowledged receipt of your inquiry of February 27, which contained a number of broader questions concerning the Soviet Union. I will address your questions in the order in which you posed them. I want to stress, however, that we are currently undertaking a comprehensive review of our overall policy toward the Soviet Union. The comments provided in this letter should therefore be considered preliminary, pending completion of that review.

To begin with your question concerning the Soviet Union's dedication to world revolution, the official Soviet ideology views international relations as a dynamic process governed by a long-term competition between international communism (led by the USSR) and "world imperialism" (led by the US). Soviet theoreticians and ideological pronouncements often assert that the world "correlation of forces" is already shifting in favor of communism, although there is no attempt to predict exactly when the world communist millenium will dawn. Soviet leaders retain a strong commitment to this ideological vision of the world's future and of the indispensable role of the USSR in bringing it about. But Soviet foreign policy actions are often decisively influenced by pragmatic concerns involving Soviet state interests, and taken after a careful evaluation of both the risks and opportunities of specific Soviet actions.

The Soviet record in promoting "revolution" is mixed. In some areas, such as Eastern Europe, where a Communist system was installed as a result of the physical introduction of Soviet armed forces at the end of World War II, the USSR thus far has been successful in maintaining its hegemony, although it has used military force on several occasions to do so. In cases where "revolution" has taken place largely as a result of indigenous and independent forces (Yugoslavia, Peoples Republic of China), the assumed Soviet gains have often proven ephemeral. Soviet support for "revolution" in the developing world has been largely a function of whether the Soviets believe that a particular "national liberation movement" can be made to serve Soviet State interests. In general, if a "revolutionary" movement or regime in a developing country depends on Soviet security assistance for its success or even survival, its freedom of maneuver is likely to become severely limited; in some cases, such as Cuba, it may eventually become a Soviet surrogate in promoting further regional destabilization. However, the expulsions of Soviet influence from Egypt and Somalia are evidence that Soviet attempts to exploit a security assistance relationship to establish a strong and lasting presence have not always been successful.

You have also asked whether the Soviet Union is an expansionist power and, if so, in what ways. Historically such actions as the consolidation of Soviet power in the Central Asian republics and the occupation of the Baltic states can only be viewed as expansionist. In more recent years, the Soviets have pursued a military build-up far in excess of their legitimate needs for self defense. The invasion of Afghanistan is clear evidence that Moscow is willing to use those military capabilities in ways which are in violation of established norms of international behavior. Soviet actions in Angola and the Horn of Africa, and Soviet backing for insurrection in El Salvador, are other examples of Soviet lack of restraint in the developing world. These actions reflect expansionist tendencies which threaten our interests and those of our allies and which require a firm and consistent U.S. and Allied response. The existence of a strong NATO Alliance has served well to check any Soviet expansionism in the treaty area itself. To cope with contemporary challenges outside the treaty area, we need an urgent restoration of military forces adequate to protect Western interests and to redress the imbalances created in recent years by an across-the-board Soviet military build-up which has exceeded any legitimate Soviet defense needs. To this end, the Administration has proposed increases in the military budget which we hope will receive full Congressional support.

The increasingly inefficient Soviet economy undoubtedly constrains Soviet expansionism. However, the Soviet regime has demonstrated the ability to concentrate very substantial resources on its military and foreign policy activities to the detriment of the Soviet consumer and other sectors of the Soviet economy. The only reliable constraint on Soviet behavior is in the international arena. Only a firm and unified response by the U.S. and its allies to resist Soviet efforts can provide a reliable constraint on Soviet expansionism. An important role in this is played by the Administration's current efforts to build a new domestic and international consenseus regarding the need to judge Soviet intentions by Soviet actions, and to make clear to the Soviets that there will be no comprehensive improvement of East/West relations unless Moscow demonstrates a sustained pattern of restraint in its international behavior.

Regarding respect for international agreements, the Soviet Union's past record on economic and commercial agreements has been good. In other areas where agreements are not subject to precise verification, especially where ambiguities prevail, its record is less satisfactory. The Administration currently is conducting a thorough review of arms control policy, including compliance issues. It would therefore be inappropriate to form judgments at this time on compliance in the national security area.

As to the policy toward negotiating future international agreements with the Soviet Union, the Administration has made clear its intention to develop areas of mutual interest with the Soviet Union to the extent this is made possible by demonstrated Soviet restraint in the international area and concrete movement toward military balance. Any future agreements concluded with the Soviet Union in any area would have to be balanced, verifiable and contribute to the national interest.

As to your final question of whether cooperation with the Soviet Union is possible, it is our view that cooperation with the USSR should not be viewed as an end in itself. Rather, it is but one element in a relationship which must be considered essentially adversary. The U.S. is open to the possibility of cooperation with the Soviet Union when the benefits of such cooperation are fully reciprocal and cooperation is warranted in light of Soviet international behavior.

I hope that the above will be useful to you. If we can be of any further assistance, please do not hesitate to let us know.

Sincerely,

RICHARD FAIRBANKS,
Assistant Secretary for Congressional Relations.●

NEVER TO BE FORGOTTEN

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. HOLLENBECK. Mr. Speaker, I would like to take this opportunity to commemorate the 38th anniversary of the Warsaw Ghetto uprising. As we know, this event marks the extraordinary courage displayed by the small Jewish community of eastern Poland in resisting Nazi occupation.

On April 19, 1943 the Jews of Muranow, Poland, revolted against their Nazi oppressors in a desperate struggle for their freedom, their dignity, and their lives. These heroic efforts ended in tragedy when the community was completely destroyed and its survivors sent to concentration camps where certain death awaited them.

Mr. Speaker, the Warsaw Ghetto uprising stands as a tribute to every man and woman who died senselessly during one of the most deplorable chapters in human history. We should never forget the depths of human cruelty as revealed to us by the holocaust. I believe that the fierce pride and determination displayed by the Jews of Warsaw as they strove to overcome this terror should also never be forgotten. Their strength and fortitude will serve as an inspiration for free men everywhere.●

NATIONAL CONSUMER COOPERATIVE BANK

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. REUSS. Mr. Speaker, I want to place in the CONGRESSIONAL RECORD the excellent article which appeared in the March 1981 issue of Challenge, the newsletter of the Wisconsin Federation of Cooperatives. The article, by the federation's executive secretary, Mr. Rod Nilsestuen, is a forceful argument for retaining the National Consumer Cooperative Bank. The text of the article follows:

[From the Challenge, March 1981]

CO-OP BANK

(By Rod Nilsestuen)

"We must remember a simple truth. The creativity and ambition of the American people are the vital forces of economic growth. The motivation and incentive of our people—to supply new goods and services and earn additional income for their families—are the most precious resources of our Nation's economy. The goal of this Administration is to nurture the strength and vitality of the American people by reducing the burdensome, intrusive role of the Federal Government; by lowering tax rates and cutting spending; and by providing incentives for individuals to work, to save, and to invest. It is our basic belief that only by reducing the growth of government can we increase the growth of the economy."

With these words, President Reagan on February 18th presented his "Program for Economic Recovery" to the American people. Although few segments of our society will escape the discomfort of this necessary belt tightening, it is clear that most Americans support the goal of economic renewal and are willing to do their fair share to see it accomplished.

I doubt that there are very many groups that share this sentiment as strongly as cooperatives. Cooperatives are owned and run by people who believe in doing it themselves; that hard work, a little pluck and initiative, and working with one's neighbor can achieve more than any amount of well intended governmental action. This may be the reason that, despite major impacts the proposed budget cutbacks will have on many cooperative activities, cooperatives have generally not been shrilly protecting themselves. However, cooperatives would not be acting responsibly if they sat silently by and watched the total destruction of one of the most important cooperative advances in decades.

Perhaps it was inevitable that in the tidal wave of changes put together and proposed in the first several weeks of the new Administration, that some excellent, but relatively small programs would be marked to be swept away, too. It would seem that this is what has happened with the new Consumer Cooperative Bank. Unless some long-time enemies of cooperatives have somehow found their way into the seats of power in the new Administration, it is hard to conceive of any other rational reason why a model project like the Co-op Bank—which was over 20 years in the planning and already running well, only one year into its existence—would be marked for elimination.

Indeed, it is hard to imagine anything which is more in line with the President's goals of:

1. decreasing the role of government in American lives/business;

2. increasing savings and equity investment;

3. reducing government outlays for social services;

4. increasing economic development and creating jobs.

If this is the case, then why the recommended elimination? Clues can be found in the text of the economic message prepared by the GAO. Several quotes are indicative of the lack of understanding of either cooperatives or the role of the Bank.

"Cooperatives in general already enjoy special Federal tax treatment. Those that provide services to their members economically, and have expectations of continued good earnings and strong management, should be able to obtain adequate credit privately. The use of budgetary resources to subsidize inefficient cooperatives can no longer be justified." "There is no need for yet another Federal agency to provide housing credit."

The complete lack of a factual basis for these assertions is obvious to anyone knowledgeable about cooperatives. It is the sort of ill-founded, anti-cooperative rhetoric that co-op opponents like the National Tax Equality Association have been throwing around for years. However, it's very troubling that, for whatever reasons—whether it be a lack of understanding cooperatives, or bad advice—the White House is now using these spacious arguments as its rationale for totally dismantling the Co-op Bank. The allegation that all sound co-ops have ready access to private commercial credit is disputed by decades of co-op history. The Bank for Cooperatives would not exist as a major part of the Farm Credit System if this was true. Today, not only do local farm cooperatives depend heavily upon the Bank for Cooperatives, but so do major regionals such as Midland, Cennex, Growmark and Farmland, as do even the huge inter-regional cooperatives such as Agri-Trans, Farmers Export and E.C.I. The same holds true for consumer co-ops and the Co-op Bank. Congress intended no "subsidy for inefficient co-operatives." The Co-op Bank makes prudent, market-rate loans to cooperatives that are required to meet all of the standard tests for credit and repayment ability.

Nor is the Co-op Bank a "federal agency." It is a private cooperative institution, modeled almost in complete detail after the Bank for Cooperatives. It was funded with seed money that will be repaid with interest to the federal government. There is no "subsidy." The Co-op Bank is really a model program in which a very small federal investment is used as seed capital to launch an institution which will soon become a private stockholder-owned cooperative institution, required to succeed or fail without further federal guarantee of assistance. It is not welfare; it is not handouts; it is not government bureaucracy. It is really: self-help, local control, local initiative, local people. It is hard to conceive of anything more free enterprise and non-governmental than the Co-op Bank! Cooperatives are private, taxpaying business enterprises. They offer an excellent mechanism for involving greater numbers of people, particularly those of low, moderate and middle incomes, in the free enterprise system. The false premises and misconceptions that have led to the proposed bank cut are not only tragic, but ironic, in light of the Administration's announced goals of reduced governmental intervention and greater reliance on the free enterprise system.

Co-ops offer a proven alternative to more government. And, as is proven every day in the marketplace, cooperatives improve the functioning of free markets. Co-ops provide a chance for people to exert greater control over their own lives, their futures, their pocketbooks.

Let's remember that inflation is the basic reason for all the controversy in Washington and the dramatic actions proposed. We—and our government—would do well to also recall that cooperatives are among the best inflation fighters available.

President Reagan's own Housing and Neighborhoods Task Force recognized this key role played by housing cooperatives: ". . . The most obvious form for low income ownership is the cooperative. . ." ". . . New and existing projects . . . public housing . . . could be made eligible for cooperative ownership . . ." ". . . recommend that HUD promptly design and implement a program . . . to convert selected public housing projects to . . . cooperative ownership . . ."

If the federal government is really serious about fighting inflation, it should be promoting the expansion of cooperatives, not their elimination. Decades of experience by farmer cooperatives with the Bank for Cooperatives have proven beyond question the key and vital role of a cooperative lending institution in the growth and development of cooperatives. Many of our co-ops throughout Wisconsin would not exist today, if it were not for the Bank for Cooperatives. However, the Bank for Cooperatives is not designed to serve all cooperatives, and hence the need for the new Co-op Bank.

It is essential that the Co-op Bank be saved. Cooperatives around the nation are contacting their congressmen, senators, and the White House. The WFC Board of Directors at its February meeting established this as a top priority.

It is vital that you make your voice heard on behalf of the Bank. Only if all cooperatives join together for the common good, can we be successful. We urge you to contact your representative immediately. Should you have any questions or desire more detailed information, please contact WFC and ask about the "Save-the-Bank" effort.●

OUTRAGEOUS OIL COMPANIES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. LAFALCE. Mr. Speaker, hardly a week goes by without another story about a major oil company buying another new subsidiary from a non-energy-related field. First, Atlantic Richfield bought Anaconda; then Sohio felt it had to buy Anaconda's major rival, Kennecott.

All of this is rather interesting in light of the chief argument supporting the decontrol of oil prices. Advocates of that decontrol argued that it would allow the oil companies to sink their increased profits back into intensified exploration and development of new and existing sources of oil.

That argument did turn out to be true in a sense; the oil companies are devoting their increased profits into exploration and development—of shirt companies, electric motor companies, newspapers, copper companies, and simplistic advertisements in the media. All this is deeply disturbing because it distorts capital markets and hinders the development of coal resources and new forms of alternative energy supplies.

In a very forceful editorial in the April 13 edition of Forbes, a damning indictment is registered concerning certain investment practices of the major oil companies. I believe that this editorial in a very reputable business magazine is one of the best analyses of the oil companies' behavior, and I want to share it with all of my colleagues.

The editorial follows:

EDITORIAL

It's downright outrageous that those big oil companies are spending billions to take over major mineral companies instead of using their huge cash piles to develop additional energy sources or for refineries able to handle today's far heavier crudes.

They have the gall (and blindness) to pay whopping prices for copper mines and such and at the same time to cry out loud because the Reagan Administration is going to cut back federal funding for synfuel and other energy research and plant development.

It's one thing to go into coal—that's energy related.

But these other acquisitions are about as "justified" as Mobil was in getting into the cardboard box and shirt business, and Atlantic Richfield into the London newspaper business.

While Prudential Insurance, foresightedly, soundly (and, coincidentally, in the national interest), will be investing $400 million as a limited partner in energy exploration projects, the energy companies are "diversifying" out of energy with their present profits from it.

Is it ignorance or arrogance or what could it be that makes Chevron ($4 billion for Amax), Sohio ($1.77 billion for Kennecott), Amoco (Cyprus Mines), Union Oil (Molycorp), Atlantic Richfield (Anaconda), in a time of national capital scarcity and curtailment of government energy subsidies, engage in such extraneous, gluttonous gobbling?

If they're preparing for the day we run out of oil, it's into other energy sources their billions should be going. We're never going to run out of the need for energy. That's their business—present and future.●

WHO REALLY LOBBIES AGAINST AID TO EL SALVADOR

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. FIELDS. Mr. Speaker, as we all are aware, an increasing amount of attention is being focused on American involvement in the troubled Central American nation of El Salvador.

I, and, I suspect, many of my colleagues, are receiving much mail opposing any American involvement as that democracy seeks to repel Soviet- and Cuban-backed aggression. I feel Members of Congress should know exactly what groups—and what kinds of groups—are mounting extensive and expensive letter-writing campaigns designed to weaken our resolve to defend freedom in El Salvador.

The central issue in El Salvador is not, as many would suggest, America's involvement there. The real issue is whether or not Soviet and Cuban aggression around the world is to be matched by American resolve to keep men and women free.

For the benefit of my colleagues who will be asked to vote on a variety of issues related to El Salvador over the coming months, I submit into the RECORD an article that will, I hope, reveal the philosophy of those groups seeking to dissuade America from helping give freedom a chance in El Salvador.

[From Human Events, Apr. 25, 1981]

HOW SALVADORAN RED AGENT INFLUENCED U.S. GROUPS

Many of the "solidarity committees" that merged to form the U.S. Committee in Solidarity with the People of El Salvador (CISPES), the national network organizing teach-ins, rallies and protests against U.S. policy in El Salvador, were initiated by Farid Handal, brother of Salvadoran Communist party chief Shafik Handal, in cooperation with members of the Moscow-controlled Communist party (CPUSA) during a visit to the U.S. last year.

This is the major revelation contained in a document that was among those captured last year from the Salvadoran guerrillas and recently made available to reporters by the State Department. The 20-page document, apparently delivered to the Salvadoran Communist party (SCP), records the itinerary of Farid Handal, who visited the U.S. in February and March 1980 as a representative of the Nationalist Democratic Union, the political front of the Salvadoran Communist party.

The document strongly supports charges by Administration officials, including President Reagan, that protests against U.S. policy in El Salvador, at home and abroad, are the result of a "well-orchestrated effort" by international communism. In a recent interview with the Washington *Post*, President Reagan noted that the Communist propaganda compaign "has confused a great many people and many well-meaning people."

Although the purpose of Handal's trip was to organize Marxist revolutionaries across the country into a national solidarity movement, he also met with officials of the National Council of Churches, Rep. Ronald Dellums (D.-Calif.) and members of the Congressional Black Caucus, officials of the United Electrical Workers and West Coast Longshoremen's Union, Amnesty International, the Cuban mission to the U.N., and a group at the Institute for Policy Studies.

Largely as a result of Handal's organizing efforts, CISPES, which openly supports the guerrilla cause in El Salvador, has emerged as the major grass-roots organization opposing U.S. efforts to prevent a Communist takeover of that country. Some of those who have been drawn into CISPES activities include Bishop Joseph Francis, Diocese of Newark, N.J.; Rev. William Wipfler of the National Council of Churches; Sarah Nelson of the National Organization for Women; and Chauncey Alexander, the executive director of the National Association of Social Workers and chairman of the Council on Hemispheric Affairs (COHA).

The Religious Task Force on El Salvador, a member of CISPES, includes Ann Gormly of the U.S. Catholic Mission Council, Tom Quigley of the U.S. Catholic Conference, and other major religious figures.

In New York, San Francisco and Los Angeles, Handal reported that he formed organizations to "coordinate" the activities of existing solidarity committees. In Washington one committee was already in existence. But Handal organized another "with the help of the CPUSA after three talks with different groups backed by them, mostly within the youth movement of the CPUSA." In Chicago Handal helped the existing solidarity group to understand that "the main task is the formation of favorable public opinion."

The document shows that Handal's organizing efforts, though ultimately successful, didn't always go smoothly. In New York, for example, he met with CPUSA members, "independent" Marxist activists, and Trotskyite Communists.

They questioned Handal about the SCP's participation in the first Salvadoran junta. But Handal said they "represented a mix of political ignorance with calculated roguery (malice) with a lot of personal vanity in all of them."

In Los Angeles Handal met with "independent" Marxist activists, CPUSA members, and Maoists who represented three different Salvadoran solidarity groups. "Some of the participants took the attitude of great Marxist-Leninist philosophers," Handal reported. "These philosophers accused as hypocrisy any attitude to not identify the solidarity movements as true Marxist-Leninist movements. They discussed whether this was what was of interest to the population of Los Angeles."

The document shows that during meetings in New York with Kathy Andrade, education director of Local 23-25, International Ladies Garment Workers Union (ILGWU), and later with Sandy Pollack, solidarity coordinator of the Soviet-front U.S. Peace Council, Handal discussed a plan for a national solidarity conference.

Handal said that Pollack suggested that the conference be held under the auspices of the U.S. Peace Council, the National Council of Churches, Amnesty International, the Washington Office on Latin America, "and various important unions of the U.S." Handal said, "The objective of the conference would be to establish a support mechanism for the solidarity committees in those states where it does not already exist."

In New York Handal stayed at the home of "Cecilia," a member of the Central Committee of the CPUSA, and met with four party leaders, including Sandy Pollack, who is also identified as a member of the Central Committee of the CPUSA. They discussed the make-up of "political forces" in the U.S. and El Salvador. "In the end," Handal reported, "they let me know that they did not have all of this information and that they would use it to inform the CC [Central Committee]. And with them fix their position in regard to the solidarity movement in the U.S.A. The meeting lasted several hours."

The national solidarity movement discussed by Handal was founded in two conferences—one in Los Angeles, the other in Washington, D.C.—in October. It emerged as the U.S. Committee in Solidarity with the People of El Salvador and received a favorable write-up in the U.S. Peace Council newsletter of September-December 1980.

The newsletter identified four programs of CISPES: "(1) Stopping all U.S. military aid to the fascist junta and supporting a policy of non-intervention, (2) People-to-people aid in the form of sales of solidarity bonds, (3) Exposing the maneuvers of the American Institute for Free Labor Development, a creature of the CIA. . . . (4) Demanding an end to the news media blackout and full coverage of the regime's repressive offensive."

Actually, the idea of "solidarity bonds" was Handal's. In the report on his meeting with Sandy Pollack, where the idea of a national "support mechanism" was discussed, Handal said, "they agreed to the idea of issuing a series of coupons worth one dollar that they would call credit bonds from the North American people to the Salvadoran people, as a counterpart to the credits given by the U.S. Government to the junta of El Salvador."

CISPES claims that money from the sale of bonds, which are now sold in denominations of 1, 5, 10 and 25 dollars, is used for "humanitarian aid" channeled through churches in Mexico and El Salvador to "the Salvadoran people." However, it's also known that Farid Handal and the Revolutionary Democratic Front (FDR), the propaganda arm of the guerrillas, maintain a bank account in Mexico for receipt of U.S. dollars intended for the guerrillas.

At a Washington news conference on April 9, called by associates of CIA defector Philip Agee for the purposes of "exposing" the captured Salvadoran guerrilla documents as CIA forgeries, Rev. Philip Wheaton, a member of the advisory committee of CISPES, admitted in response to questions that "We met with him [Handal] on two or three occasions and he has participated in some solidarity meetings around this country." Wheaton said that Handal also visited the U.S. in October when CISPES was founded.

However, Wheaton, who was obviously unaware that a detailed report of Handal's trip had fallen into the hands of American reporters, said with a straight face that Handal had no connection to CISPES. "He didn't have any role in forming CISPES," claimed Wheaton. Asked if Handal was in the U.S. to form solidarity committees, Wheaton said, "No. He had no official task with solidarity. He's not on the solidarity committee. That's not his function. He gave us information about what was going on in El Salvador and with the FDR." Wheaton said he thought Handal usually operated as a fundraiser for the FDR, but that he was in the U.S. "on an unofficial basis" and not representing the FDR.

Wheaton's talk about an "unofficial" visit and his denial of a Handal-CISPES link are understandable, say internal security and intelligence experts, because CISPES wants to appear as a U.S. movement not connected with any foreign power. However, these observers also say that the Handal document is prima facie evidence that CISPES has been operating as an unregistered agent of the Salvadoran Communist party, or its front group.

Questions about Handal's mission have also been raised because it is revealed in the document that he met with members of the den of spies known as the Cuban Mission to the U.N. in New York. Handal reported that he met with them at the home of Counselor Alfredo Garcia Almeida, the fourth-ranking diplomat at the mission.

The Cubans suggested that he mask his lobbying activities in order to avoid interference from U.S. law enforcement authorities. "They recommended that I should carry out work of an informational nature about the situation in El Salvador, with progressive congressmen for the purpose of making the rest of my work appear more natural, and in that way to protect my visa," Handal said.

Handal took their advice. He proceeded from New York to Washington, where he met with Rep. Ronald Dellums, described as "very progressive." Handal said that comrades "Morris" and "Veronica" of the CPUSA "played an important role" in arranging the meeting.

An aide to Dellums "made known that my visit could not have been made at a better moment," Handal reported. "They were interested in better understanding the situation in El Salvador because they were ready to do battle against the hawks who have already strengthened their position and influence in the Senate and Congress of the U.S.A."

Handal reported that Dellums arranged a meeting with the Congressional Black Caucus. It "took place in the liver of the monster itself," Handal said, referring to the House Foreign Affairs Committee room. He reported that the Caucus agreed to come out publicly against aid to El Salvador. "This they did two days later," he said. Handal said that the Caucus also proposed another meeting that would include "those congressmen who represented Latin minorities," i.e., the Hispanic Caucus. "It's good to point out that these people have influence and prestige," Handal said. "In reality, they are able to collaborate even in special promotions where their prestige could mean an effective support."

The document shows that the Cubans advised Handal to contract "Juan Ferreira from Uruguay." Handal said, "I contacted him at WOLA. He helped me at WOLA and the National Council of Churches." Handal also reported that Chencho Alas, a radical Salvadoran priest at Georgetown University, "was another important support" who directed him to Isabel Letelier of the Institute for Policy Studies (IPS). Letelier arranged for Handal to speak at IPS.

Also in Washington, Handal met with officials of the Inter-American Development Bank, including Jorge Sol Costellanos, a consultant. Handal described the bank as "a privately managed group which is very important. This group is well-connected with different organizations of peace, solidarity, the churches, WOLA, etc." He then met with a representative of the PLO. Handal reported. "He said that they could give us very valuable help. The truth is he seemed strange to me and I thought it more prudent to listen only. It was very tiring because the guy talks more than I do."

A number of far-left unions were on the Handal itinerary. He reported a meeting with the United Electrical Workers and the West Coast Longshoremen's Union. Handal identified his contact at the Longshoremen's Union as "Humberto Camacho," who "showed a desire for broad collaboration." Handal said that Camacho proposed that a delegation of Salvadoran trade unionists visit the U.S. "The longshoremen made clear that if the labor union comrades in El Salvador would bring them lists of raw materials or products for import that are vital to the economy of El Salvador, they would make sure that in the ports of the U.S. ships would not be loaded with cargoes for El Salvador."

In San Francisco, Handal reported that he met with "Mrs. Janet" of Amnesty International. This is, in fact, Janet Johnstone, who was then director of Amnesty International's Western regional office. He also met with representatives of the National Council of Churches. They expressed a "desire to collaborate."

The Handal networks have not faded away, of course, and are still operational. In fact, many of the elements contacted by Handal during his visit—labor and religious leaders, "human rights" activists, members of the CPUSA, the U.S. Peace Council, and members of the Black Caucus such as Rep. Dellums and Rep. Mickey Leland (D.-Tex.)—are officially endorsing the planned May 3 "March on the Pentagon" protest against U.S. policy in El Salvador. CISPES is also strongly backing that protest.

Those who participate in the May 3 action should go under no illusions. No matter what their intentions, the result will be aid and comfort to the cause of communism in El Salvador.●

BILLIONS DOWN THE PENTAGON DRAIN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. CONYERS. Mr. Speaker, politics is filled with ironies. Imagine the case of a large Federal agency that has a long history of mismanagement, waste, and duplication, anticompetitive practices, and that throws money away on projects as if there were no tomorrow. Such an agency would be a prime target for cleanup and reform by an administration and President committed to eliminating waste, fraud, and abuse in Government. True or false? The answer is, remarkably, wrong. While the Reagan administration won office by promising the public it would bring efficiency and austerity to big government, for unexplainable reasons it does not seem interested in going after those agencies that are most culpable.

What agency do I have in mind? The Department of Education or Health and Human Resources? No. The Community Services Administration? No. The Employment Training Administration at Labor? No. The Federal agency that far and away leads the rest in public mismanagement and extent of waste is the Department of Defense.

U.S. News & World Report, April 27, 1981, has published an eye-opening analysis entitled, "Billions Down the Pentagon Drain." Were this analysis undertaken by a more liberal journal, it would be dismissed. The fact that the case of Pentagon waste is made by this particular journal, well known for its respectable analyses and unimpeachable conservative credentials, makes the issue of Defense mismanagement all the more engaging. I urge my colleagues to read the following analysis, as they consider decisions on the fiscal year 1982 budget resolution:

BILLIONS DOWN THE PENTAGON DRAIN

The Pentagon—the only government department immune to President Reagan's budget-cutting ax—is under pressure to clean up its act.

Even the most ardent supporters of greatly increased spending to strengthen the nation's defenses are turning their guns on massive waste, fraud and mismanagement that send billions of taxpayer dollars down the military drain every year.

They warn that the Reagan administration's proposal to allocate 1.5 trillion dollars for new ships, planes, tanks, missile systems and other programs over the next five years will feed the Pentagon's apparent penchant for squandering money on a staggering scale.

The scope and magnitude of the excesses attributed to the Defense Department are underscored by a random sampling of allegations documented by official investigators—

Failure to equip Navy missiles with a $2 firing circuit leaves millions of dollars' worth of these weapons unusable.

Fraud and incompetent accounting in one Army military office resulted in a loss of 531 million dollars.

Inefficient operation and support of the Navy's new F-18 warplane threaten unnecessary spending estimated at 4.1 billion dollars.

Military reservists pocket some 744 million dollars in payments for exercises they never attend.

Upkeep of marginally useful military bases eats up about 443 million dollars annually.

Slipshod billing practices have forced the Pentagon to pick up the tab for 1 billion dollars in foreign arms-sales costs which should have been billed to customers abroad.

A minimum estimate of the cost of military waste is put at 15 billion dollars a year in a study issued by congressional Republicans, who are noted for their staunch advocacy of a strong military posture. Others say the loss is billions higher.

Some congressional leaders, preparing to vote billions of additional defense dollars, are fighting mad over the waste issue. Asks House Speaker Thomas P. O'Neill (D-Mass.): "Should we be expected to rubber-stamp [Reagan's] defense budget . . . while the Pentagon leases computers for 1 billion dollars a year that it could have purchased for $200,000?"

The challenges are coming from both the conservatives and the liberals. Senators Barry Goldwater (R-Ariz.) and Howard Metzenbaum (D-Ohio), in a joint letter to Secretary of Defense Caspar Weinberger, complain that "waste and inefficiency have, over the years, become a way of life for too many in the [Defense] department. The nation cannot afford to permit this situation to perpetuate itself any longer."

What is the Pentagon's defense against these charges? For one thing, Defense officials argue, a measure of waste is unavoidable in an enterprise of such gargantuan size and sweep. They note that the proposed U.S. military budget for the fiscal year starting October 1—some 222 billion dollars—is more than double the gross national product of India.

Further, Pentagon officials maintain that political pressures exerted by Congress lead to multibillion-dollar excesses beyond the control of military managers—for example, demands to keep superfluous military bases open and to produce unnecessary weapons for the benefit of local defense contractors.

Whatever the validity of the explanations, Defense Secretary Weinberger, whose budget-cutting propensities earned him the nickname "Cap the Knife" during the Nixon administration, acknowledges the severity of the waste problem at the Pentagon. And he insists that he is mounting an attack that will result in billions of dollars of savings—a claim that veterans Pentagon observers say must be treated skeptically on the basis of the past record.

WHITE-COLLAR CRIME IN THE MILITARY

The most clear-cut abuses of defense funds stem from fraud, embezzlement and theft. Experts estimate that chiselers skim millions of dollars off the Pentagon budget each year, though no one knows the magnitude of the problem.

One well-established target for ripoff artists: Post exchanges on military bases that function as general stores for uniformed personnel. According to a recent report from the General Accounting Office, Congress's investigative arm, some procurement officers are known to have received kickbacks of up to $150,000 from suppliers in return for inflating orders. Federal courts in Texas last year convicted 15 military men and civilians in a military-exchange fraud case. Six more individuals are under investigation.

These are not isolated cases. A probe of questionable purchasing practices within the Air Force's retail exchange system covered 66 of the system's 372 procurement officers, according to one government report. Abuses of varying degree have been confirmed in 23 cases to date.

Investigators admit they probably detect only a fraction of the embezzlement that goes on—and just as worrisome, they say, is the outright theft of merchandise, hardware and even cash, made easier by lax Pentagon bookkeeping. Inspectors estimate that thieves make off with millions of gallons of military fuel each year, taking advantage of accounting loopholes. A recent spot check of 118 company-size Army units found that 30 million dollars in supplies was missing, some of it presumably stolen.

Careless handling of funds is cited as an open invitation to thieves. For example: During a surprise visit to offices of the Army's Military District of Washington, auditors discovered about 500 checks worth $300,000 lying around on desk tops.

Overseas, too, auditors find scams at U.S. military installations. One case cited in an official report: "Widespread collusion and bribery" riddling the supply system at the Navy's vast shipyard in Yokosuka, Japan. Estimated losses: Millions of dollars.

MISMANAGEMENT

Costly as such activities are, they pale in comparison with the sums squandered by profligate spending and mismanagement. Officials estimate that billions' worth of materials, equipment and fuel are wasted each year through needless purchases, unnecessary operations and inept supervision.

Investigators say the Navy is among the worst offenders. According to the House Appropriations Committee, for instance, the Pearl Harbor Naval Shipyard buys 40 percent more material than it needs for ship repairs—and then throws much of it away. In the Navy's eight shipyards, the overbuying runs to 35.5 million dollars, or about 16 percent of all orders. In one case, government auditors found that the Navy approved the purchase of 5.3 million dollars in parts for ship overhauls at the Philadelphia Navy Yard—even though the yard already had 11 million dollars in identical items on hand.

Elsewhere, the Navy simply permits costly equipment to deteriorate for lack of shelter. Example: Despite plentiful inside storage space, 240 propellers, shafts and components at the Oakland Naval Supply Center had to be junked because they had been left uncovered. Cost: Eight million dollars.

The other services come in for their share of criticism, too. The Air Force, for instance, still bases many of its giant C-5A transport aircraft in California even though they are used primarily on transatlantic hauls. Result: Empty planes crisscross the U.S., gobbling up 73 million gallons of fuel and 40 million dollars a year in the process.

On a wider scale, some 6.9 billion dollars' worth of aircraft are being used for unjustified, noncombat purposes, GAO estimate. The investigative agency notes, for example, that Air National Guard aircraft were used to haul military personnel to a bowling tournament in Tennessee—at a cost of $109,000. Another example is the Navy's use of sophisticated antisubmarine-warfare planes for such routine missions as ferrying parts to repair shops. As one exasperated officer says: "This is like using a Cadillac to deliver mail."

Investigative reports are crammed with citations of logistical waste. One Army facility employs five people full time to maintain and manage 17 vehicles, which are driven less than 100 miles per month. The Air Force is spending 1 billion dollars to outfit 105 bases with extra computers, even though the need for them has been questioned. The military, for lack of proper inventory control, wastes 18 million dollars each year repairing inexpensive parts already in stock. The Pentagon forfiets millions of dollars through failure to recover gold, silver, platinum and other precious metals from property being junked.

Then, there is controversy over the prices the military agrees to pay for some supply items. One former Pentagon official sums it up this way: "There are still 50-cent screws that cost 50 dollars."

THE HIGH COST OF POLITICS

Congress, too, emerges as a prime instigator of military waste, pursuing its desire to satisfy the voters and look after local economies. Military men, in fact, claim Pentagon spending could be cut by 5 billion dollars a year if the lawmakers would put the nation's interests before political considerations.

One classic problem is the legislators' habit of forcing the military to buy weapons it does not want. Congress, for example, lays out millions of dollars each year for A-7 warplanes, built in Texas, even though the Pentagon has not requested these planes for years. Critics assert that at least one factor in the A-7 appropriations is the desire of Texas legislators to protect 2,200 assembly-line jobs.

Congress's hand is most apparent in the stifling of Pentagon efforts to trim the military-base system, which far exceeds peacetime requirements. Over the past five years alone, the Defense Department has suggested 634 base closings or reductions in activity. These moves would have eliminated 30,500 military and civilian jobs and chopped expenditures by 443 million dollars annually. Thus far, most of the facilities are still open, protected by congressmen who see them as vital sources of employment for constituents, rather than as examples of military extravagance.

This vignette underscores the point: One retired general recalls that his first assignment as a junior officer was to draw up a plan to close a particular facility. It was still operating when he left active service decades later. In fact, it was the general's last command.

Still, the Pentagon keeps trying to reduce its sprawling base complex. Weinberger's aides are working on a plan to make cuts of between 750 million and 1 billion dollars in the system. The political outlook: Grim. Says a Senate insider: "Base closings are not a good place to start with these congressmen. They'll clobber him."

INTERSERVICE RIVALRIES

In addition, bureaucratic infighting within the armed services has created a convoluted, overlapping management system worthy of Rube Goldberg.

The Army, Navy, Air Force and Marines all strive to maintain their own logistics and training systems, even though consolidation clearly would produce dramatic savings. Some results of this crazy-quilt arrangement, as uncovered by federal investigators:

The Army and the Navy each run helicopter-training schools, costing the Pentagon 63 million dollars a year more than the expense of a combined school.

There are four separate air forces to maintain—one for each major service. Excess repair-depot costs are estimated at between 250 and 400 million dollars annually.

Ground-repair gear for maintenance of military aircraft is not standardized. Excess cost: 300 million dollars.

The services each insist on independent supply functions, which management experts say could be consolidated to provide common services to all. The cost of overlapping: Some 100 million dollars a year and 4,000 superfluous jobs.

The inefficiency is well illustrated by a situation in California, where seven major military bases operate within a 60-mile radius. Each has its own support systems for police, fire, maintenance, transportation and food service. Consolidation, according to the GAO, would trim costs by millions of dollars.

The mismanagement goes beyond duplicated effort. Defense analysts claim the Navy will waste 350 million dollars on spare parts for its F-18 warplanes by purchasing them years from now, rather than at the time the aircraft are produced. Similarly, congressional investigators assert that the Pentagon incurs pointless transportation costs by shipping fatigues and other battle clothing to sites hundreds of miles from the bases where they are used.

Bad personnel-management techniques are another target of Defense Department critics. The GAO maintains that 57 million dollars could be saved each year by substituting civilians for military personnel in various welfare and recreation jobs. Other analysts say the Pentagon could save 41.5 million dollars in payroll and other personnel costs just by processing bad-conduct discharges expeditiously.

COSTLY WEAPONS

Far and away the biggest money burner comes in buying weapons, where waste and inefficiencies are assuming mind-boggling proportions. If the Pentagon could achieve even modest improvements in this field, says the Congressional Budget Office, it could save some 16 billion dollars over the next five years. Few in the Department of Defense dispute this estimate.

The problem is evident in the spiraling cost of new weaponry. In one report to Congress, the Pentagon concedes that the price tag for 47 major programs soared by 47 billion dollars during the last three months of 1980 alone. Examples: Costs for the F-18 fighter rose by 8.1 billion dollars; for the M1 tank, 5.9 billion dollars; for the Army's new infantry carrier, 5.3 billion dollars; for the Trident submarine, 2.9 billion dollars.

A chronic tendency to underestimate the impact of inflation is a major factor in the increases—but it is only one. Another reason, according to defense analysts: The Pentagon's habit of "stretching out" the completion of a weapons system—creating lower rates of construction that cancel out the economies of mass production. This alone pads the price of weaponry by an estimated 10 to 30 percent.

For example, the Air Force estimates that, by cutting production rates for its F-16 fighter from 15 to 8 per month, the Pentagon increased the total costs for the plane by 1.4 billion dollars. Such production "stretchout" are taking an even greater toll on the Air Force's new TR-1 spy plane, whose price has nearly doubled from 9.3 million to 17.2 million apiece.

Compounding the effect of inefficiency are wasteful industrial practices, spawned largely by political indecision in Washington. Contractors are reluctant to commit billions for cost-saving mass purchases of materials and equipment because they're afraid some sudden switch in Pentagon priorities might leave them holding the bag. Such delays and administrative flip-flops seem certain to boost the cost of the Marine AV-8B Harrier jump jet by 1 billion dollars. The story is the same in many other weapons programs.

How much is lost each year through such inefficiencies? No one can hazard a guess. "It would be too frightening," says Gen. Alton Slay, former head of the Air Force Systems Command. "I am sure it is an astronomical figure."

Another major hemorrhage of Pentagon funds stems from faulty management of giant weapons programs. A classic example: The Trident submarine, an enormous missile-firing ship that was supposed to cost 900 million dollars.

Today, the price of the first Trident vessel has hit 1.2 billion, and it is more than two years behind schedule. The cost overrun and delay are chalked up to extensive repair and reworking necessary to make the sub seaworthy, but there is sharp disagreement as to who is at fault. The Navy blames the shipbuilder, General Dynamics Corporation. But company officials insist that the Navy furnished defective equipment and issued numerous design changes—more than 2,900 in the past three months alone.

Another example: The Army's new main battle tank. It has taken 18 years and three separate designs to produce a tank that was considered urgently needed in 1963. In the end, the entire project—including the false starts—will cost more than 21 billion dollars. That works out to 3 million for each of the 7,058 Abrams tanks that eventually will be produced—compared with the estimate of $420,000 for the version of the tank designed in 1963.

In store may be another program-management controversy, this one involving the Air Force's proposed CX transport—a giant workhorse the Pentagon wants for hauling troops and cargo to Persian Gulf hot spots. The GAO reports that the military has begun awarding contracts for the project, even though its own mobility-design studies are not yet completed. This, the GAO asserts, "could bring about a repeat of the cost-growth and performance problems of the C-5"—an earlier aircraft that ran millions of dollars over budget and requires extensive repairs to its flimsy wings.

Beyond production waste, there is mounting concern over the sheer cost of the Pentagon's love affair with high-technology equipment. Even some Pentagon officials profess to be worried about a practice known as "gold plating"—that is, paying extravagant amounts for small improvements in weapon capability.

Critics point to the Army's new infantry fighting vehicle. They saw that while it packs more firepower than an older model, it costs six times as much and carries 50 percent fewer troops. Then there is the Air Force's hot F-15 interceptor: It is a complex, computerized marvel, but its operation and maintenance costs are twice those of the older, yet still highly capable, F-4 warplane.

Increasingly sophisticated weapons also generate higher training and support costs, one problem that may become critical in the years ahead. "Our philosophy of using emerging technology has generated a cost structure that is growing at a much faster rate than our budget," warns one unofficial Air Force study.

A sore spot. The record of waste is seen by some defense experts as the Pentagon's Achilles' heel when talk turns to vast new spending authority, and Defense Secretary Weinberger is well aware of it.

Politics, economic conditions, interservice rivalries, incompetence, greed, dishonesty—all have stymied attempts to crack down. Weinberger, with his reputation for wielding the budgetary knife, is determined to prove that he can beat the system and effectively combat waste in Pentagon spending. His success—or failure—could well determine future popular support for the big boosts in defense spending he claims are essential in the years ahead.●

COUNTIES' POSITION ON AIRPORT LEGISLATION

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. MINETA. Mr. Speaker, the Aviation Subcommittee recently held hearings on H.R. 2643, to reauthorize the airport and airway programs. The National Association of Counties has submitted a statement for our hearings. Because this bill will soon be before this House, and because NACo's statement provides such a concise and thorough review of the major issues involved in this legislation, I am taking this opportunity to make the NACo statement a part of the RECORD.

The statement follows:

STATEMENT OF BERNARD F. HILLENBRAND, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION OF COUNTIES

I want to express the National Association of Counties' support for H.R. 2643, the Airport and Airway Improvement Act of 1982.

Its major provisions are similar to those supported by the National Association of Counties (NACo) during the 96th Congress and we commend the Aviation Subcommittee of the Public Works and Transportation Committee for continuing along the wise course it followed in drafting H.R. 6721.

There is a significant change, however, in your bill, Mr. Chairman, which we at NACo heartily endorse in light of our nation's need to balance the budget and control inflation through cuts in federal spending. The $1.6 billion spending reduction in this year's bill shows an awareness of the need for fiscal restraint as well as a commitment to provide adequate funding for the future safety and capacity needs of our country's airport and airway system. In view of the size of FAA projected increases in overall air traffic from 1979 to 1991, the $4.3 billion ADAP funding level proposed in your bill is justified. We are particularly struck at the county level by the FAA forecasts of substantial increases in the hours to be flown by general aviation and a potential 170% increase in commuter carrier enplanements which will directly affect most county airports. As you know, Mr. Chairman, just to keep pace with the added safety, capacity, and productivity requirements generated by such air traffic increases, the FAA has projected the need for federal investment levels of $6 billion in airport development alone, with an additional $8.5 billion for facilities and equipment and $3 billion for supporting Research and Development programs by 1991. The levels of $2.4 billion for facilities and equipment and $4.5 billion for operations and maintenance in H.R. 2643 represent a restrained but adequate response to addressing these needs and preventing serious deterioration in airport system performance.

We also commend you for taking a more balanced approach to funding competing program priorities such as airport construction, facilities and equipment and operations and maintenance requirements. Rather than starving safety and construction needs at airports in order to fund 85% of FAA's operating expenses as the Administration proposes, you have chosen to divide user revenues in an equitable fashion. This approach is consistent with NACo's recently adopted Resolution on Cutbacks in Airport and Airways Programs that user taxes be primarily directed to support airport development and safety improvements rather than concentrating revenues on funding the operations of agencies like FAA which are essentially regulatory in nature.

Though you have not proposed a specific tax package for H.R. 2643, NACo is reassured by your comments that a 5% ticket tax and an increase in aviation fuel taxes to 8½¢ a gallon would be sufficient for the program levels in the introduced bill. Increases in non-commercial avaiation gasoline and jet fuel such as those proposed in the Administration's bill would be difficult for the general aviation community and NACo to accept.

As you know, Mr. Chairman, NACo continues to oppose defederalization. It is inequitable to collect ticket taxes from passengers using large airports like Milwaukee County's and yet deny the airport access to the Aviation Trust Fund financed by these taxes. NACo also feels that excluding airports from federal funding needlessly eliminates a stable and reliable source of funds which enables communities to build local matching financial support for airport improvements. In addition, defederalization will frustrate efforts to develop a truly national airport system based on common minimum safety and development standards. Finally, elimination of the largest airports from ADAP could further weaken support for a federally assisted airport development and safety program and result in its total elimination when ADAP reauthorization is again considered by Congress. This would be a serious prospect for many counties serving growing communities which will place greater strains on county airports with limited safety and capacity resources.

NACo has not yet taken a position on passenger facility charges. While we would not want to deprive defederalized airports of a way of recouping lost revenues, we find the provision described in S. 508 an intrusive and cumbersome method for replacing the passenger ticket tax, the existing and effective way of collecting current revenues. Though the sponsors of defederalization proclaim it is a start in efforts to move funds and decisionmaking back to the local level, in S. 508 it is the Secretary of Transportation not airport operators who would determine the amount of a passenger facility charge that airports can impose. This seems to us the opposite of what defederalization was intended to do. The federal government would still be involved in dictating how much revenue a defederalized airport could collect without affording it any of the benefits of the revenues generated by its own passengers. Therefore, we commend you, Mr. Chairman, for resisting this approach in H.R. 2643.

Finally, I would like to comment on increased state participation in the airport grant program. During the last Congress, NACo opposed state participation in this program. While NACo's transportation steering committee has not yet taken a position on the state role provisions of either the Senate or Administration bills, we continue to have reservations on this issue. Though some states have taken an active and progressive approach to aviation, almost half, by FAA estimates, do not have the resources or personnel to run the types of programs described in the Administration's bill.

We further question the thrust in both pieces of legislation towards placing even greater administrative burdens on state departments of transportation when budget cuts and legislative proposals in other modes will further strain the budgets and staff of these agencies. Should these changes be approved by Congress, states would not only be called upon to administer a new airport grant program but fund and administer highway programs to replace the Federal Aid Secondary and Urban Systems, and to assume a much greater financial share of the rail freight and passenger costs of the Local Rail Assistance program, Conrail, and Amtrak as well as sizeable increases in the operating expenses for public transportation in both rural and urban areas. This is a tall order for any governmental body to fill and one which deserves much more careful scrutiny from Congress. We are pleased, Mr. Chairman, that you and the subcommittee have resisted efforts to burden states with unnecessary, additional transportation responsibilities in the aviation area.

We are also concerned that an increased state role will create added regulatory burdens for local governments. Despite Administration assertions that federal regulations can be eliminated at defederalized airports, a recent FAA decision on a nonfederally funded project at Atlanta airport indicates that such projects would still have to comply with federal environmental standards. Couple these regulatory restrictions with state generated standards as proposed in the Administration's bill and local governments could be faced with even greater regulatory red tape than now exists.

Finally, Mr. Chairman, the cumulative impact of the airport policy changes proposed in the Administration and Senate bills, in defederalizing major airports and increasing the state aviation role, needs to be carefully examined. It could lead to a further fragmentation of an emerging system of needed national airport safety and development standards and a long term lessening of airport capacity and efficiency. As you pointed out, congestion and delays are already costing $500 million in 1979 at large hub airports. These could spread to smaller county airports if the capital and safety investments necessary to maintain an adequate level of system performance are not made. The funding levels proposed in your bill represent an adequate and restrained response to these development needs and an appropriate balance in the funding of needed aviation safety improvements and the operations of the FAA. We appreciate the opportunity to comment on H.R. 2643 and support your legislative efforts to create an improved national airport and airway system.●

TIME IS RUNNING OUT FOR THE TRULY NEEDY BECAUSE OF THE REAGAN BUDGET

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. STOKES. Mr. Speaker, the President's budget proposal is, in my opinion, no more than a hodgepodge of unsupportable myths, false indictments, and callous disregard for social programs and the millions of Americans who depend on them, in many cases, for survival. The euphemistic suggestions of Mr. Reagan about economic recovery and the truly needy are mere codes for economic disaster and abandonment of the disadvantaged and the poor by this Nation.

And, Mr. Speaker, as Members of this body lean closer to supporting these unfair cuts, so too does the American dream lead closer to an unforgettable nightmare for the poor.

The charge is before us. What we have to do is strip the decoration and fancy oratory from the Reagan budget cuts and look at them with unjaundiced eyes. By doing so, Mr. Speaker, we will face the harsh reality of what it is like to be needy in this Nation of so much abundance.

Mr. Speaker, few of my colleagues have firsthand knowledge of the frustrations and atrocities of the needy in America in 1981. Few really know what it is to depend on food stamps, welfare or other Federal assistance to survive. Until we know the turmoil of the needy, we cannot fool ourselves into thinking that we know what is best for them and what they can bear.

I submit that it might do us good to spend some time in the households of needy families and especially in those households which will be victimized by the President's budget cuts.

Some years ago, my family participated in a program in which we ate for 1 week on the income and staples of a typical welfare family. It was a humbling experience. But more importantly, Mr. Speaker, it was an experience that opened my eyes wider to the inequities in this Nation, the need of Federal assistance to correct them and the determination of the poor to help themselves.

Taking into account the still abominable situation of the poor on welfare, we need to take a long and hard look at the President's plans to cut social programs.

Mr. Speaker, the fact is that time is running out on the poor in this Nation and conceivably on the fight to save them from the Reagan budget ax. I would like to share an article with my colleagues that addresses the subject of what it means to be needy.

The article was written by Coleman McCarthy and is appropriately entitled, "The Family That Starves Together, Stays Together." Mr. Speaker, at this time, I would like to have the article entered in the RECORD.

[From the Washington Post, Mar. 15, 1981]

THE FAMILY THAT STARVES TOGETHER, STAYS TOGETHER

(By Coleman McCarthy)

As the destitute tremble with fear that their food assistance programs may be cut, Ronald Reagan continues to charm the country into accepting his plans for "economic recovery." But something is missing. In all the talk about "the truly needy," there is little knowledge of what neediness truly is.

I think back to 1969. It was the Nixon welfare plan then, one which insulted the poor not only with offerings of niggardly welfare benefits but also a scheme for requiring imagined millions of "shiftless poor" to find jobs. A group called the National Welfare Rights Organization persuaded 100 middle- and upper-class families in the capital to live a week "on welfare."

This meant seven days of spending 15 cents per meal per person. After lavishing 45 cents a day on food, 75 cents would be left over for a week's worth of household supplies and personal care.

Thanks to a pair of senatorial wives who put themselves and their families on this budget—Mrs. Joan Mondale and Mrs. Jane Hart—the public was told something about life at the bottom. The payments were so low that it was either incredibly difficult or outright impossible to live on them.

It's true this experiment was only a dramatization of poverty. No doubt also, it was a chance for a few of the overfed affluent to get in some crash dieting in the name of a good cause.

But the reality was there for anyone wanting to see it. If it's different now, it is because, as even Reagan acknowledged in his first economic address, "we're very much worse off" today than in the 1960s.

The 15 cents a meal 12 years ago is now 44 cents, the average per meal food-stamp benefit. That's about one-tenth of just the tip that any group of self-respecting businessmen leave after their business lunch—the cost of the meal to be deducted at tax time. It is also less than half the $2.51 needed daily to assure a nutritionally adequate diet, as outlined in the federal recommended dietary allowances.

Some other figures are worth thinking about, too. More than three-fourths of the 22 million citizens on food stamps have no earned taxable income. The average household income of food-stamps users is $300 a month. A family of four with a gross earned income of $10,000 receives about $35 a week. All of this while food prices soar. Peanut butter, once the sirloin of the poor, is now well over $2 a pound.

The selling point in the proposed $1.8 billion cuts in the program is that what the government takes away in food-stamp money it will give back in tax relief.

Forgetting for a moment that the majority of the families in the food-stamp program have no taxable income, the cuts are still much larger than any promised relief. The Food Research and Action Center, one of the groups working hard to persuade Congress to resist the Reagan-Stockman attacks, offers some figures.

A family of four with an income of $10,000 would be cut over $400 a year in food allotments, with tax relief of $52.

A family of three with one wage earner receiving the minimum wage now is given $1,704 a year for food. The proposed cuts would lower it to $1,212, a loss of $492. The tax relief would be $10.

Nancy Amidei of the center and one of the country's most reliable analysts of the food-stamp program, points out still another unfairness about to be inflicted on the poor: "The President has said he will not cut the free school lunches that poor children can get in most schools, while David Stockman says that about $500 million will be saved by reducing the food-stamp allotments of families whose children go to a school that provides a free lunch. In other words, if the kids eat at noon, the parents—and other children—eat less at night."

This is the proposal of a pro-family President elected, we are told, by supporters who champion "family values." Presumably the family that goes hungry together, stays together.

On the merits, the Reagan proposals have no claim to be taken seriously. At 44 cents a meal, this is no give-away program. Eligibility requirements are already tight and strictly enforced. But in the new climate, Reagan may well get away with taking food from the poor.

It's a nasty way to fight inflation, by fighting the hungry.●

ON LOSING THE OPPORTUNITY FOR A BALANCED ENERGY PROGRAM

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. FUQUA. Mr. Speaker, earlier this month, the distinguished chairman of our Science and Technology Subcommittee on Energy Research and Production, the Honorable MARILYN LLOYD BOUQUARD, delivered an important speech to the American Nuclear Society. In it she points our very incisively the dilemma which the Congress faces on the energy budget in terms of the Reagan request.

Mrs. BOUQUARD suggests that the Director of the Office of Management and Budget has played a numbers game with energy funding. She says that such an approach, when coupled with an inconsistent application of the free market approach, may make it exceedingly difficult to achieve a balanced energy strategy.

I recommend Mrs. BOUQUARD'S speech to all of my colleagues, from the strong advocates of central station power to those who feel that distributed technologies will prove the main solution for our energy supply problems.

ON LOSING THE OPPORTUNITY FOR A BALANCED ENERGY PROGRAM

I deeply appreciate this opportunity to meet with the members of the American Nuclear Society to discuss with you some of the concerns which I have about the future of energy production in America. Of course, as this group well knows, I am primarily involved in those issues which relate to nuclear power. But for both substantive and political reasons, I am also deeply concerned to see that the administration and the Congress work together to develop a balanced energy supply program.

I am dismayed that we seem to be letting the opportunity for a balanced energy strategy slip from our grasp. I and many other members of our committee in the Congress who have solid energy supply credentials were looking forward hopefully to this administration's shift in energy policy and, while so far I have been gratified in general with their positive nuclear emphasis, even in these nuclear programs the rough handiwork of the Office of Management and Budget is clearly visible.

Let me first outline what I expected in terms of a constructive shift in energy policy. I hoped for near-term regulatory changes which would produce utility confidence and provide a climate which would lead to a more attractive capital investment situation for new nuclear plants. I expected a solid Federal Government partnership to be sustained with various segments of the energy industry to continue in areas where significant risk remained so as to prohibit private sector financing. I hoped that the "corporate memory" for developing advanced technology which this country has so amply shown in the past would be retained by prudent funding and cost-sharing for R. & D. projects as they moved nearer to the marketplace. I also presumed the DOE would be constructively shaped into a solid R. & D. organization with strong, experienced management at the controls. Finally, I expected that a lot of unnecessary and unproductive regulatory and allocation activity of the Department of Energy could be reduced or terminated as the Department moved toward becoming a solid R. & D. organization. In embracing all these fond hopes, however, I didn't count on the apparent influence which the Office of Management and Budget would have over substantive energy policy decisions.

I am disappointed that the generally prudent encouragement provided to nuclear energy development by the White House does not include the need for a Federal role in a technology demonstration of reprocessing at full-scale or of the advanced concept high temperature gas-cooled reactor (HTGR). It seems to me that this is a case where the OMB has arbitarily ruled out critically needed Federal involvement based on a misunderstanding of the scale at which technologies must be demonstrated to make commercial deployment appear attractive to the private sector. We are all interested in responsible budget cuts but this is carrying the numbers game too far. I am very pleased that the administration has managed to convince the OMB of the merits of breeder reactor technology demonstration, although OMB Director Stockman has apparently had to change many of his previous written words on the subject.

I am most concerned that the administration's perception of what is needed to build a national security reserve from synthetic fuels is so much different from the House and Senate in the 96th Congress. I might remind you that Mr. Stockman was one of only 25 House Members who voted against, while 368 Members voted for the House's version of the synthetic fuels bill. I am puzzled that such a devout apostle of the free market approach would choose to retain the Synthetic Fuels Corporation while terminating all of the DOE fossil demonstration projects. Perhaps I am naive about economic philosophy but I thought the proper Government role was to fund the riskier projects and have the private sector carry the ball in "commercialization" activity. Unfortunately, we now have the opposite situation and this inconsistent application of the free market philosophy is not good for the country, the synfuels industries or this administration's presumed energy supply strategy. I hope the Congress will maintain the courage to continue Federal support of key elements of the major synfuels demonstration program which we have authorized over the years. I am also afraid that many companies are acting very naively about their propects for funding from the Synthetic Fuels Corporation.

An unfortunate byproduct of the administration's imbalanced approach has been to make the nuclear programs a target for the disenfranchised energy advocates in the Congress. I believe that very significant but more modest reductions then proposed by the Reagan administration would have made more sense in both solar and conservation programs. There seems to have been no careful scrutiny of these programs to protect Federal investment where valuable data could be salvaged with modest additional funding nor does the administration seemed to have understood what the private sector could, indeed, do on their own. I think it should be pointed out that for many of these technologies, including synthetic fuels development, most of the players are not the major oil companies, and not only is decontrol not a significant factor in stimulating their participation in large R. & D. projects but it may well impact companies negatively in terms of soaring R. & D. costs.

As a result of this drastic shift in policy driven by Mr. Stockman's arbitrary approach, the ERP Subcommittee which I chair has been put in the position of having to restore some balance to the overall DOE R. & D. budget. We have done this by identifying certain fission programs which simply do not offer commercial promise. This requirement has drawn the fire of some major personages, such as Admiral Rickover, whose program had to be cut by $19 million and there is much sentiment in the committee for terminating it after fiscal year 1982. I admire the admiral greatly but we simply cannot find any industrial interest in making this scheme commercial. In this tight budget climate we are looking at further cuts at full committee to reach a solid middle ground between Carter and Reagan while maintaining a strong pronuclear emphasis to enhance industry confidence. I should point out that our nuclear votes at full committee are considerably complicated by the fact we do not have the overwhelming Republican majority which we possessed in the 95th and 96th Congresses. I think that this is ironic now that we have a nuclear advocate in the White House, we may have difficulty getting the kind of support we need within the committee which carried the CRBR for 4 years.

As for the Department of Energy, I have met with Secretary Edwards and found him to be agreeable and capable; however, I feel that the administration has done him a disservice by their approach to reorganize the DOE. One can only speculate whether the slow pace of sub-cabinet appointments in the DOE is due to a preconceived administration policy of "malignant neglect" toward the Department of Energy or simply because the appointments process broke down in the morass of ideological choices and Capitol Hill sign-off's. In any event, it seems tragic that the worthwhile R. & D. programs were not given the support of some advocates with political clout who at least might have been able to aid the Secretary in arguing the merits of certain programs with the OMB and the White House. In this vacuum, many constructive gains in energy policy and programs on alternative sources over the last 7 years have been lost. Only nuclear remains healthy and, as I said before, is highlighted as a target for those who have suffered massive Reagan cuts. I also have a keen interest in the doings of the Nuclear Regulatory Commission and remain puzzled over why the administration cannot act on the Commissioner appointments.

Another concern in the fiscal year 1982 budget centers on the administration's lack of direction for the fusion energy program. Last year the Congress passed legislation with extraordinary bipartisan support. This legislation—the magnetic fusion bill—promised the American public an aggressive fusion energy program regardless of which political candidate won the election. Unfortunately, and apparently in spite of support by the Office of Management and Budget, the Department of Energy has steadfastly refused to meet the congressional mandate for development of fusion energy. Again it has fallen to my Subcommittee on Energy Research and Production to piece together a cohesive fusion program which build upon the existing technological base. I believe we have been successful in developing such a program with only a very minimal increase over the Reagan request. In fact, my subcommittee recommendation of $474.9 million is identical to the OMB projected level for fiscal year 1982.

I have spent the past 2 months working closely with our chairman, Mr. Fuqua, and other members of our committee in arriving at responsible funding of the nuclear programs while assuring protection of major projects where a Government role is warranted. I hope this cooperation will continue to the extent we can arrive at a consensus in our full committee markup a few weeks from now, that will be very close to the Reagan budget submissions across the board while preserving committee initiatives. I am disappointed that the Budget Committee in the House has suggested such a large cut in the gas centrifuge program and adopted double the cut in fission R. & D. which I believe acceptable. However, I am hoping that the budget reconciliation process will lead to improved levels in both of these programs. I would encourage the administration and the Republicans in both Houses to not simply continue to seek drastic cuts and force legislative showdowns but rather strike a compromise on some of these key programs that is more in line with a real view of the need for Federal involvement in energy R. & D. I am not sure if this is possible, given the constraints we are under and the White House's concern that any leak in the dike means a flood in budget levels. I do think in this way we could have a major budget reduction and clear the way for at least modest tax cuts without simply wasting Federal investment in areas where it has proved constructive and productive.

A little while ago I mentioned synthetic fuels production as a route to national security. Although no expert on defense matters, I am also puzzled by Mr. Stockman's ambivalence on the question of the strategic petroleum reserve. Just as with uranium enrichment, the compulsion to get programs off budget seems to be paramount to the critical need for these programs. I have seen no convincing evidence that private financing mechanisms can work for the SPR in the near term, and it seems to me that this is a major issue of national security which cannot be submerged in the budget cutting exercise.

Let me summarize briefly my concerns. Simple support for the Stockman priorities in budget cutting will be detrimental to our energy well-being and ultimately, national security. The continual neglect of the DOE can only result in a demoralized agency incapable of doing any significant R. & D., ultimately even in the nuclear area. The administration should rethink its view of what constitutes commercialization of energy technologies and adopt a constructive approach to turning the DOE into an R. & D. entity. I am afraid the present situation can only lead to wars between advocates of different energy technologies throughout the life of the Reagan administration. I believe the stakes are too great to allow this to happen in the Congress.●

TAX TREATMENT OF CO-OP TENANT STOCKHOLDERS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. ASPIN. Mr. Speaker, I am today introducing legislation designed to put co-op—cooperative housing corporation—owners on the same tax footing as all other homeowners.

I am reintroducing this bill hoping that we will be able to get speedy action on it. For purposes of the record, I would like to recapitulate my earlier remarks concerning my proposal.

Section 216 of the Internal Revenue Code now requires that at least 80 percent of the gross income of a co-op corporation be derived from individuals who are tenants as well as stockholders. If for any reason, a co-op gets less than 80 percent of its gross income from individuals, then all the other tenants lose their income tax deductions for their shares of interest payments on the mortgage and real estate taxes.

There are no similar restrictions for condominium dwellers.

Section 216 has created a situation where the tail is wagging the dog. If a tenant-stockholder dies and his estate then makes payments to the co-op's corporation, it works to the detriment of the other tenants.

The statute as written has led to serious, perverse economic effects. For example, co-op's having commercial spaces are forced to rent them at artifically low rents or else the tenants lose their income tax deductions. It is a subsidy for commercial ventures. The U.S. Treasury isn't making a penny from this. The real losers are co-op apartment dwellers.

My bill lowers from 80 percent to 50 percent the minimum level of tenant derived gross income required for a co-op to keep its tax deduction. This change will constitute an improvement in the present situation. Let me explain why.

BACKGROUND

Under section 216 of the Internal Revenue Code, a tenant-stockholder in a cooperative housing corporation may deduct the amount paid to the corporation constituting his or her proportionate share of allowable real estate taxes and interest relating to the corporation's land and buildings. In addition, to the extent a tenant-stockholder uses property leased from the co-op for business purposes, that is, for income production, he or she may take depreciation deductions with respect to his or her share of the cost.

An organization qualifies as a co-op, so that the tenant-stockholders can claim these deductions, when 80 percent or more of the corporation's gross income derives from the tenant-stockholders. Also, only individuals qualify as tenant-stockholders. Hence, if banks or other corporations, trusts, estates, and other nonindividual taxpayers own a significant portion of the stock, the organization is disqualified. Consequently, the other individual qualified tenant-stockholders lose their income tax deductions.

This rule has been part of the Internal Revenue Code since the first provisions relating to cooperative housing corporations were enacted in 1942. Since then four changes have been made.

In 1969, a provisions was added to section 216 of the code providing that, for purposes of the 80-percent test, Government stock ownership or unit leasing to provide housing not be taken into account.

In 1976, section 216 was amended to allow banks and other lending institutions obtaining stock in co-op through foreclosure to be treated as tenant-stockholders for up to 3 years after such acquisition.

In 1978, the section was amended to allow an original seller, for example, a corporate promoter who acquires co-op stock either by purchase or foreclosure, to be treated as a tenant-stockholder for up to 3 years after the stock's acquisition.

The Technical Corrections Act of 1979, enacted in 1980, refined the 1978 change to include stock acquisitions by exchange. I note that, except for foreclosures, the law does require that in exchanges the original seller's stock must be turned over no later than 1 year after the date on which the housing units—or leaseholds therein—are transferred by the seller to the corporation. Furthermore, the 1979 act extends this same tax treatment to a deceased original seller's estate.

THE PRESENT RULE HAS SERIOUS PROBLEMS

The four changes made since 1969 were specifically designed to address problems resulting from the application of the 80-percent test. But there are yet other problems with the test which, when properly examined, deny the validity of any justification whatsoever for the rule. Let us just take a couple of examples.

The requirement that only an individual can be a tenant-stockholder creates obvious problems, because it fails to include corporations, most trusts or, except for original sellers, estates. Also, the rule is unclear with relation to the treatment of estates and the corporations themselves; an estate may qualify as a tenant-stockholder for tax purposes but the rent it pays may be unqualified in the hands of the corporation. Consequently, if due to death or bankruptcy an individual tenant-stockholder's stock is held by an estate, his and all of the co-op's other tenant-stockholders tax deductions may be denied.

In just these two examples, it is easily seen that a relatively small number of stockowners could voluntarily or involuntarily disqualify everyone's otherwise legal tax deduction. The same small number of persons whose actions cause the loss of tax benefits to the others are not themselves adversely affected since they usually obtain tax deductions for the amounts as business or investment expenses; to emphasize; only those who are otherwise qualified tenant-stockholders lose their tax deductions.

NO REASON FOR THE RULE

I have looked, in view of the problems, at the legislative history of the 80-percent requirement to see if there is a reason for keeping it on the books. I have been unsuccessful. The legislative history does not set forth the reasons for the 80-percent requirement. I can, as everyone else, hypothesize a couple of reasons. Perhaps Congress believed it important to restrict the benefits of section 216 to primarily residential properties, and not to make them available to commercial operations. Maybe Congress was concerned that some sort of tax avoidance could be created where a substantial commercial interest was involved—such as, using portions of the operating expenses incurred by the corporation to cover otherwise nondeductible personal expenses. It could have been the worry that if a corporation anticipated reportable profits from its commercial properties, it might reduce the rent collected from its tenant-stockholders by an amount sufficient to produce a loss for tax purposes equal to the commercial profits, the corporation would thus report no taxable income. The 80-percent test may have been thought to limit such potential abuses. Strawmen in view of the facts.

First of all, several judicial decisions limit the ability of co-ops to take tax deductions generated by the type of hypothetical activities I just described. Second, elsewhere in the IRS Code this very problem is addressed. The point I am making is that it is not necessary to rely on the 80-percent test to limit potential tax abuses. Both the courts and the Congress have already addressed the problem.

In brief, I fail to discover the reason for the existence of the 80-percent rule in section 216 of the Internal Revenue Code. Even hypothesizing a couple of reasons, I do find that the judicial and legislative history relevant to the rule invalidates whatever realistic albeit conjectural justification may exist for the rule.

Since the city of New York has a sizable proportion of cooperatives, I asked members of the real estate community to comment on the need for change. A special subcommittee of the real property section of the New York State Bar Association put things this way:

REASONS FOR CHANGE

The 80 percent requirement in subsection 216 (b)(1)(D), combined with the limitations on the kinds of taxpayers who can qualify as a tenant-stockholder, impose certain restrictions on cooperative housing corporations which appear to be unwarranted and counterproductive and result in unintended hardships. Condominiums are similar to cooperative housing corporations in purpose and function, but no such restrictions are imposed on condominiums. The decision to use a condominium format, rather than a cooperative housing corporation, depends on a number of factors, including local real estate conditions and the need to obtain financing, but these factors should not be relevant with respect to federal income tax consequences, and do not justify divergent tax treatment. Moreover, experience with condominiums confirms that there is no real need for the 80 percent requirement for cooperative housing corporations.

The requirement limits the flexibility and utility of the cooperative housing corporation in several ways. For example, in a building with a number of elderly or handicapped tenants, it may be very useful to have a substantial number of commercial occupants, including laundries, pharmacies, and groceries, in the building itself. However, the presence of such tenants in the building could well disqualify the corporation under § 216.

Moreover, if a cooperative housing corporation is disqualified under § 216 because of its failure to meet the 80 percent test, the deductions are usually disallowed only to those individuals who do qualify as tenant-stockholders and, hence, should be entitled to the deduction anyway. In most cases, the tenants who do not qualify as tenant-stockbrokers (e.g., commercial or corporate tenants) and whose payments to the corporation cause the disqualifications will nevertheless be entitled to claim as ordinary and necessary business expenses under § 162 or as expenses incurred for the production of income under § 212 all or almost all of the deductions otherwise lost under § 216. Thus, the persons who should as a matter of policy be entitled to the deductions lose them, and the persons who cause the disqualification get them anyway.

To avoid disqualification, some cooperative housing corporations have leased the commercial spaces at less than fair market value. Often, the lessee is the original sponsor or transferor. The result is that the economic structure of the building has been distorted, to the detriment of the tenant-stockholders, just to qualify under § 216.

Possibly, when the predecessor of § 216 (§ 23(z) of the 1939 code) was first enacted in 1942, it may have been believed that the 80 percent requirement was necessary to limit the ability of a cooperative housing corporation to derive large amounts of commercial income and apply such income to the personal housing costs of the tenant-stockholders, without either the corporation or the tenant-stockholders paying tax on that income. For several reasons, this concern is no longer justified. Among other things, it is now clear that § 277 requires the cooperative housing corporation to pay tax on the proper amount of commercial income, and the lack of such a requirement for condominiums has not created any serious administrative problem for the Government. Accordingly, no serious tax abuse is prevented by the 80 percent rule.

Finally, the 20 percent limitation on nonqualified income has proven to be overly restrictive in practice, and resulted in inadvertent disqualifications, often as a result of events beyond the control of the taxpayers. For example, in a building which derives close to 20 percent of its gross income from stores, the death of a tenant-stockholder will result in disqualification, if the income from that unit, combined with the commercial rent, will then exceed 20 percent, because the decedent estate does not qualify as a tenant-stockholder. Also, if the rent for a store space is in any way contingent (e.g., based on sales, or adjusted for cost-of-living factors), the rent in some years may unexpectedly increase beyond the 20 percent limit, again resulting in inadvertent disqualification. Problems may also arise, even where the nonqualified income is normally less then 20 percent if the corporation uses the cash method of accounting and tenants pay rent at irregular intervals.

THE SOLUTION: AT LEAST CHANGE THE TEST IF NOT ELIMINATE IT COMPLETELY

The bill I am introducing today would lower the 80-percent requirement to 50 percent, that is, to qualify as a cooperative housing corporation, an organization would need to derive only 50 percent of its income from individual tenant-stockholders. This change should reduce the problems that many co-ops have in improving the income tax protection for their eligible tenant-stockholders relative to that now afforded to condominium and other housing dwellers. It also deals with the problems of co-op tenant-stockholders on a more comprehensive and I think thoughtful basis than the patchwork enactments of 1969, 1976, and 1978, and earlier this year. Finally, it eliminates the need for continued erratic legislative hodgepodge in the future.

FINAL COMMENT

I hope that this bill can be scheduled for hearings at an early date. I urge interested witnesses to comment on the desirability of eliminating the percentage requirement entirely and on any other problems of section 216, as well as on the merits of this bill. This is only a beginning as there are still other provisions of section 216, which may be unduly burdensome and unnecessary. For example, the ambiguous requirement that a tenant-stockholder's shares be "fully paid up," or the similarly ambiguous requirement that only individuals qualify as tenant-stockholders might be reconsidered.

Finally, a question may be raised whether a person can qualify as a tenant-stockholder if the apartments are subject to local rent control laws preventing the eviction of existing tenants; this issue, also, should be considered.

Mr. Speaker, at a time when there is a lot of good will being expressed about the use of tax incentives to promote the Nation's economic well-being, here is one way to contribute to the effort. The tax laws need to be equitable in their treatment of homeowners, whether they reside in cooperative housing or not.

The text of the bill follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (D) of section 216(b)(1) of the Internal Revenue Code of 1954 (defining cooperative housing corporation) is amended by striking out "80 percent" and inserting in lieu thereof "50 percent".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.●

COMMEMORATING NIKOLA TESLA

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. NOWAK. Mr. Speaker, I have had the privilege of working with the Nikola Tesla commemorative group which was formed to coordinate and promote the observance of the 125th anniversary of the birth of this prolific scientist. The cochairmen of the group are: Nicholas Kosanovich, from my own 37th Congressional District of New York; and Dr. Vladislav A. Tomovic. The Washington coordinator is my friend and former colleague, Hon. John A. Blatnik, former chairman of the House Public Works Committee, on which I presently serve. The honorary chairman is William H. Terbo, the grandnephew of Nikola Tesla.

Among the commemorative events scheduled are: An exhibit in the city of Buffalo May 18-22; a symposium in Yugoslavia; and exhibit and film showing in Washington, D.C. during the month of September; and a major symposium at Brock University during December.

In addition, this group has been successful, with the assistance of my predecessor, Hon. Thaddeus J. Dulski of Buffalo, former chairman of the House Post Office and Civil Service Committee, in receiving a commitment for the Postmaster General William F. Bolger that a Nilola Tesla commemorative stamp will be issued in 1983.

To lend my assistance to this commemorative effort, I include in the RECORD excerpts from a speech given by Dr. Michael B. Petrovich, Professor of History, University of Wisconsin—Madison, before the Tesla Memorial Society, in Niagara Falls, July 12, 1980.

The excerpts follow:

TESLA: THE KNOWN, UNKNOWN, AND UNKNOWABLE

It would be difficult to find any important historical figure about whom so much is known, and yet who is as unknown as the American scientific discoverer Nikola Tesla (1856-1943). On the one hand here is an extraordinary man whose achievements have literally changed the face of the earth and who has received honors and recognition from all sides, from those, that is, who know and value his works. On the other hand, there is a discouraging and even shocking ignorance of Tesla and his discoveries by the vast majority of people today, including millions whose own lives have been profoundly affected by Tesla's discoveries. He has been called the Forgotten Genius. There is not only the known and the unknown Tesla, but the unknowable—called by some an eccentric, by others a mystic, a visionary, and a person of extraordinary powers of perception . . . And so Nikola Tesla's memory is virtually venerated by some and utterly neglected by many more. Tesla deserves to be known better.

It is not my purpose today to describe Tesla's life and works. This has already been done by dozens of biographers and historians of science. Perhaps it is enough merely to cite a readily available source such as the Encyclopaedia Britannica, whose 1969 edition states that Nikola Tesla was a "U.S. inventor of electrical devices and equipment who introduced the first practical application of alternating current. . . ." After some biographical details the article continues, "Tesla conceived the rotating magnetic field principle as an effective method of utilizing alternating current for power. He patented the induction, synchronous and split-phase motors, and new forms of generators and transformers; this equipment formed the system for the generation and use of power from Niagara Falls. By means of lectures in Europe and the United States beginning in 1891, he announced discoveries and applications of high frequency alternating current, including the high-frequency resonant transformer, or 'Tesla coil.' "

Behind this drily objective language there is a dramatic story, of a Serbian immigrant from Croatia, in Austria-Hungary, who came to this land of opportunity with four cents in his pocket, and who gave to it far more than it gave to him—except freedom and opportunity, which he valued above all. The importance of Nikola Tesla's discoveries was described quite graphically by the American electrical engineer Bernard Arthur Behrend (1875-1932), himself of Swiss birth and a designer of electrical machinery and inventor: "Were we to eliminate from our industrial world the results of Tesla's work, the wheels of industry would cease to turn, our electric trains and cars would stop, our towns would be dark, our mills and factories dead and idle. So far-reaching is his work that it has become the warp and woof of industry."

Let us turn, first, to the known Tesla, indeed, the renowned Tesla. Though forgotten by many today, Tesla was honored greatly and many times, during his lifetime and after, by those who knew his worth. Let me give some examples.

In 1892 the Royal Institute in London invited Tesla to lecture there. So did the Institute of Electrical Engineering in London and the Physics Society of Paris. In 1893 he lectured before the Franklin Institute in Philadelphia. This august body presented him with the Certificate of the Elliott Cresson Gold Medal Award.

A dozen institutions of higher learning conferred honorary degrees on him: Columbia and Yale in 1894, the High Technical School in Vienna in 1908, the Universities of Belgrade and Zagreb in 1926, the High Technical School in Prague in 1936, the High Technical School in Brno in 1937, the Universities of Paris and Graz and the Polytechnical School in Bucharest in 1937, the University of Grenoble in 1938, and the University of Sofia in 1939.

Tesla was made a member or honorary fellow of various academic and professional societies: the American Association for the Advancement of Science in 1895, the American Electro-Therapeutic Association in 1903, the New York Academy of Sciences in 1907, the American Institute of Electrical Engineers in 1917, the Serbian Academy of Sciences in Belgrade in 1937, and many others.

The medals and other honors which he received were many. Among the first was the Montenegrin Medal of Prince Danilo I, awarded by Prince Nicholas of Montenegro in 1895. In 1917 the American Institute of Electrical Engineers gave Tesla the Edison Gold medal Award. He almost did not make it for the award. One story is that he skipped out during the banquet to feed his beloved pigeons in Bryant Park, behind the New York Public Library. Luckily a colleague knew of his custom and was able to bring him back in time. In 1926 Tesla received the Yugoslav Order of St. Sava, and ten years later the Yugoslav Order of the White Eagle. In 1934 the City of Philadelphia awarded him the John Scott Medal Award. In 1938 the National Institute of Immigrant Welfare presented Tesla with a scroll of honor as a foreign-born citizen whose influence was national and international in scope, constructive in character, and purposeful in objective. Tesla shared this honor with Justice Felix Frankfurter.

On his 75th birthday Tesla was given a yearly pension of $7,000 from the Tesla Institute in Yugoslavia. This annual stipend saved him from dying penniless in a New York City hotel room.

Perhaps none of these honors and others during his lifetime would have given him as much satisfaction as a decision of the United States Supreme Court nine months after Tesla's death which recognized that some discoveries attributed to Marconi had actually been Tesla's previously and protected by patent. It should be noted that Tesla was not himself involved in the suit but rather companies that were using his patents. Tesla cared little for money or honors. Yet after Tesla's death, in 1943, there were more honors to come. One can hardly enumerate them here.

Of special interest is the fact that the word "Tesla" became part of the language of electrical science—not only in the name of the Tesla Coil, but in the term "tesla" for the unit of magnetic flux density. Thus the word tesla, with a small letter "t", is in the same class with terms such as ampere, ohm, volt, and watt—all of which have become so much a part of our language that we scarcely remember that they were all the names of great men. Tesla shares this honor with two other Americans—Joseph Henry (1797-1878) and the Italian American physicist Enrico Fermi (1901-1954), after whom the henry and the particle fermion have been named.

In 1952 a bronze replica of a bust of Tesla was unveiled at the Technical Museum in Vienna. It is a copy of the original by the famed Croatian and Yugoslav sculptor Ivan Meštrović, which is in the Yugoslav Academy of Arts and Sciences in Zagreb.

In 1952 there was also established the Nikola Tesla Museum in Belgrade, Yugoslavia. It was opened to the public in 1956, on the 100th anniversary of Tesla's birth. It is a magnificient monument to Tesla's memory and a fitting resting place for his ashes. The Tesla Museum contains not only various exhibits and mementoes of Tesla's life but a library and archives arranged in six groups: (1) personal and biographical data; (2) correspondence; (3) scientific papers; (4) diplomas, testimonials, honors, news articles; (5) technical drawings and plans; and (6) photographs. The director, Dr. Veljko Korać and his staff, deserve praise and gratitude for their work. In 1956 the Tesla Museum, under the auspices of a National Yugoslav Committee and the Society for the Promotion of Science and Technology, organized a round of commemorative activities celebrating the 100th anniversary of Tesla's birth. Among the distinguished guests who gathered in Belgrade for the occasion were Niels Bohr of Denmark, Arthur Fleming of Great Britain, Frederik Dahlgren of Sweden, and Carl Chambers and Richard Sogg of the United States. The last two came as the representatives of the American Institute of Electrical Engineers and brought a special citation with them.

The 1956 observance had a very tangible and useful result when the Tesla Museum of Belgrade published a mammoth volume, in English, entitled "Nikola Tesla: Lectures, Patents, Articles." Much of the volume reproduces in their original form various patents and other documents. In 1961 the Tesla Museum published a second significant work: "Tribute to Tesla," which contains reviews and evaluations of Tesla's achievements by noted scientists and specialists from all over the world.

In October 1956 the American Institute of Electrical Engineers held its own commemorative session in Tesla's honor. The Chicago section of that organization held a similar session, on October 1, 1956, which was designated by Mayor Richard Daly as Nikola Tesla Day. Similar tribute was paid to Tesla on his centennary by the city of Philadelphia. President Tito of Yugoslavia was informed of these American festivities by the then United States Secretary of State John Foster Dulles. In his reply of thanks, President Tito wrote, "I would especially like to stress my accordance with your statement that scientists of Tesla's genius are the symbol of the universality of science and human endeavor for progress in peace."

In 1976 there was another series of commemorative festivities in honor of Tesla, all the more impressive because the 120th anniversary of Tesla's birth coincided with the 200th anniversary of the birth of the United States—the Bicentennial. A joint Yugoslav-American committee of some twenty-five members was formed in 1975 to coordinate activities. Again there were several noteworthy results. In January 1975 Tesla was included in Washington's Hall of Fame. A year later a Nikola Tesla Prize was instituted by the IEEE, the leading society of electrical engineers in the United States. The first prize was awarded to Leon T. Rosenberg, to whom the Yugoslav Nikola Tesla Society also awarded a gold plaque. In July 1976 a tablet was unveiled at Shoreham, Long Island, on the site where Tesla's wireless tower used to stand. The tablet reads:

"In this building designed by Stanford White, architect, Nikola Tesla, born Smiljan, Yugoslavia 1856—died New York, U.S.A. 1943—constructed in 1901-1905 Wardenclyffe, huge radio station with antenna tower 187 feet high (destroyed 1917), which was to have serve as his first world communication system.

"In memory of 120th anniversary of Tesla's birth and 200th anniversary of the U.S.A. Independence July 10, 1976."

Peggy McKinnon Clark of Shoreham deserves special thanks for her tireless efforts on behalf of this project.

On July 23, 1976, there took place the unveiling of the heroic-sized monument to Nikola Tesla, by the eminent Yugoslav sculptor Frano Krsinic, in Niagara Falls, on Goat Island, in the picturesque courtyard of the old Edward Dean Adams Hydro-Electric Power Station Number One of the Niagara Falls Power Company. The event commemorated Tesla's successful use of alternating current to provide electrical power at long distances from the source.

Meanwhile in Yugoslavia a whole series of cultural events marked Tesla's 120th anniversary. Chief among these was the Symposium held on July 7-10, 1976, in Zagreb and in Tesla's birthplace, the village of Smiljan, Lika. President Tito attended the festivities in Smiljan on July 10. The Symposium brought together some four hundred participants, including noted scientists from the whole world. In honor of the event, the Niagara-Mohawk Power Corporation of Syracuse, N.Y. presented the Tesla Museum in Belgrade with some artifacts from the Edward Dean Adams Generating Station at Niagara Falls. The certificate of presentation reads: "This corporation takes pride in the fact that its predecessor, the Niagara Falls Power Company, pioneered the use of the polyphase alternating current system invented by Dr. Tesla. That principle, proved in operation at the Adams Station in 1895, made modern electric power systems possible."

Several important publications resulted from these meetings. A bi-lingual volume of Tesla's writings—Moji pronalasci: My Inventions—was published in Zagreb in 1977 by the Yugoslav Academy of Arts and Sciences, the Nikola Tesla Museum in Belgrade, and the Skolska Knjiga Publishing House of Zagreb. More recently, in 1977, the Nikola Tesla Museum had the Belgrade publishing house NOLIT put out a luxurious edition, all in English, called Nikola Tesla: Colorado Springs Notes 1899-1900. This is Tesla's research diary which he kept during his daring experiment of transmitting high frequency electrical energy without wires on a global scale.

There are today many books and articles concerning Tesla, in English and in other languages, including several biographies. Though there is much yet that can be written about Tesla and his work, no one can plead ignorance of Tesla on the grounds that there is no information about him. There is, indeed.

It is precisely because the known Tesla has been so honored and recognized in the world of science, and because there is material available about him today that the general ignorance on the part of most Americans that he ever existed is so astonishing and bewildering.

And how are Americans ever to learn about Tesla if their schools and textbooks and libraries do not teach them? For example, the excellent World Book Encyclopedia, which is used extensively in our public schools, contains four inches on Tesla, and only up to 1900, with nothing on the last thirty-four years of his life. The justly noted Encyclopaedia Britannica publishes an annual Yearbook as well as a special Yearbook of Science and the Future. These are big, thick volumes that are supposed to incorporate all that occurred of any importance in the scientific world. Yet one looks in vain in them for any mention of Tesla or the Tesla Prize in the volumes for the 1970's.

And so we have this strange paradox. On the one hand Tesla is unknown to millions of Americans today though they know the name of Edison, Telsa's first American employer and later competitor. On the other hand, Tesla is the object of veneration by cultists who see in him a kind of Superman, even from another planet. But between this unknown Tesla of the uninformed and the unknowable Tesla of the cultists there is the known Tesla, whose works are daily manifested in our lives. Even as we sit here, in Niagara Falls, next to the electric station which his motors powered, we are literally basking in Tesla's light. When, in 1917, Tesla was awarded the Edison Medal of the American Institute of Electrical Engineers, his close associate B. A. Behrend paraphrased Alexander Pope's famous line on Sir Isaac Newton, when he said:

"Nature and Nature's laws lay hid in the night; God said, Let Tesla be! and all was light."

It is to make him the known Tesla that we are here today to honor this extraordinary man, this truly immortal scientist.●

THE RELATIONSHIP OF DRUGS TO ROCK 'N ROLL—PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

• Mr. McDONALD. Mr. Speaker, the following quotes are the second part of a two-part series demonstrating the disastrous effect the Beatles/John Lennon years had on the habits and attitudes in our society. They were compiled by Dr. David A. Noebel of Summit Ministries in Manitou Springs, Colo. I commend them to the attention of my colleagues.

(25) "Former Beatle Paul McCartney was taken into custody for alleged possession of about a half-pound of marijuana after arriving at Tokyo International Airport today, Japanese customs officials said."

"In 1972, McCartney, his wife and Wings drummer Denny Seiwell were fined the equivalent of about $1,800 after pleading guilty to smuggling six ounces of marijuana into Sweden. Their Swedish hotel had been raided during a Wings concert tour."

"In 1973, he was fined some $240 after pleading guilty to growing five marijuana plants on his Scottish Highland farm. The plants were discovered in a police raid on the farm."

"In 1975, Linda was arrested in Los Angeles for marijuana possession, but the charges were later dropped." (Gazette Telegraph, Jan. 16, 1980, p. 2-A)

(26) "The Rev. Jesse Jackson ripped into the drug culture, easy sex and 'pornographic music' during a speech to 14,000 high school students who gave him a frenzied, gospel-like standing ovation." (The Tulsa Tribune, Nov. 17, 1978, p. 7-A.)

(27) "They (Black Sabbath) sang about the occult, death, and drugs, and their music blasted through the arena at incredibly high sound levels. (Tulsa World, Sept. 19, 1978.)

(28) "Keith Moon (of The Who) died of drug overdose at 31." (Time, Dec. 17, 1979 p. 86.)

(29) "The band's music (The Greateful Dead) has been described as intimate, cosmic, spacey, laid back, obviously drug-influenced. . . . The group started as a hippy band, a product of the drug environment. Their music was at first basic rock 'n' roll, but soon it reflected the drug influences." (Tulsa World, Feb. 2, 1979, p. B-1.)

(30) "As the parents of three teenagers I have a concern for the effect and influence of rock concerts. Therefore, my husband and I decided to attend the recent Ted Nugent Concert and see for ourselves."

"Marijuana smokers were everywhere. If you were not smoking you were in the minority.

"Everyone milled and visited and passed around roaches and smoked a little more. The police ignored the fact that the use of pot is illegal."

"After intermission the audience was greeted by Ted Nugent saying, 'Are you high?' To which the audience replied. 'Yea.' His next statement was, 'We'er going to have a —— free for all.' There were more screams of delight by the audience. It was plain to see almost everyone was high by that time." (Tulsa World, Feb. 18, 1979, p. 8-B.)

(31) "What can parents expect during this decade as rock music advocates sadism, masochism, incest, necrophilia, homosexuality, bestiality, rape and violence in addition to the ever present rebellion, drug abuse and promiscuity? The obvious answer is stupifying." (Seattle Post-Intelligencer, Apr. 12 1980, p. B8. Kingsbury Smith, National Editor, The Hearst Newspapers.)

(32) " 'The real trick is to get people dancing to the next record before thay even realize they're doing it.' " says Jim Burgess, 25, a former student of operatic singing and classical piano who earns nearly $300 a night as a top New York deejay. Through a haze of laughing gas, pills, amyl nitrite and marijuana in his booth above the floor. . . . 'Drugs really make the experience almost spiritual,' he says, 'A feeling of musical unity, of love in the room.' " (Newsweek, Apr. 2, 1979, p. 56.)

(33) "According to the Manhattan fuzz, the late star of the former British 'punk rock' band 'Sex Pistols'—John Simon Ritchie—admitted killing his live-in American girlfriend with a hunting knife. A tipoff on Ritchie's personality, character, and overall outlook on life is the state name he dreamed up for himself: Sid Vicious."

"Sgt. Thomas Kilroy, the arresting officer, said various drug implements were found in the pigsty which the couple had made out of their hotel room. Ritchie (or Vicious), he remarked, was still as high as a space probe when he was arrested." (The Pensacola News Journal, Apr. 1, 1979, p. 21A.)

(34) "Elvis Presley had already been in the detox tank twice to reverse the effects of his gluttonous consumption of drugs and now. . ."

"Elvis was going to take drugs no matter what. Dr. Nick had his hands full just keeping track of and controlling the dope that Elvis put in his mouth."

"Witness after witness described Elvis as a man who spent the last ten years with a monkey on his back the size of King Kong."

"Attributed the cause of death to a fatal combination of drugs."

"The charges of the medical board were listed on a 59-page complaint and included over 12,000 pills prescribed to Presley alone in the 18 months before he died. It took eight full-size legal pages to list the prescriptions. Among them: Quaaludes, Dilaudid, Dexedrine, Leritine, Parest, Amytal, Biphetamine, Tuinal, Demerol, Percodan, Dexamyl, Carbrital, Vallium, Ionamin, Placidyl, Hycomine, Lomotil, and cocaine. But this was, according to several sources, a short accounting." (High Times, Nov. 1980, p. 63.)

(35) "There are an awful lot of rock people who would find it hard to start the day without the adrenalin-provoking, rocket-fuel burst of a quick snort of about $30 worth of coke." (Tony Sanchez, "Up and Down With The Rolling Stones," p. 12.)

(36) "Working in the rock world and refusing to use cocaine are rather like joining a rugby club and preaching total abstinence." (Ibid., p. 212.)

(37) "Drugs were everywhere on this tour—jars of cocaine, uppers and downers. Jagger snorted quantities of coke before every show; he felt he couldn't get up there to dance and scream without the high of the drug tearing through his body. Keith fixed so much heroin, that on stage he was an eerie, shambling wreck—everyone's idea of a freaked-out, druggie rock superstar—and the kids loved him for it." (Ibid., p. 257.)

(38) "We avoid all hard drugs like cocaine although we do smoke marijuana now and again." (Bee Gees, Circus, Aug. 3, 1973, p. 38.)

(39) "I'm in the music business for the sex and narcotics." (Glenn Fry, Eagles, People, June 30, 1975, p. 60.)

(40) "We were sitting, passing around a joint—a doobie—so we called ourselves the Doobie Brothers." (Tom Johnston, Doobie Brothers, Rolling Stone, Jan. 4, 1973, p. 16.)

(41) "I can sing better after shooting smack (heroin) in both arms." (Linda Rondstadt, Rolling Stone, Mar. 27, 1975.)

(42) "The rock scene is permeated by the values and practices of the drug culture. Many rock stars have become cult heroes, and many of them take drugs. Children can often identify the current rock stars, and may identify with their lifestyles. When popular musicians are arrested for drug possession, some of the popular media—especially the rock-music radio stations—portray them sympathetically and mock the enforcers of the drug law. Since the middle of the last decade, many rock lyrics have had drug overtones. . . . Rock concerts pose an additional problem . . . drugs are sold and used openly at these concerts." (Parents, Peers, and Pot, U.S. Department of Health, Education, and Welfare, 1979. HEW 79-812.)

(43) "Drugs are a necessary ingredient for many rock musicians." (Robert Forbes, Circus, Apr. 17, 1979, p. 16.)

(44) Jimi Hendrix, Jim Morrison (The Doors), Elvis Presley, Janis Joplin, Brian Jones (Rolling Stones), Al Wilson (Canned Heat), Gram Parsons (Uriah Heep), Gary Thain (Urain Heep), Vinnie Taylor (Sha Na Na), Keith Moon (The Who), Lowell George (Little Feat), Tommy Bolin (Deep Purple), Sid Vicious (Sex Pistols), Rubbie McIntosh (Average White Band), Mama Cass Elliott (Mamas and Papas), Bon Scott (AC/DC), John Bonerman (Led Zeppelin) etc. etc. etc.

R.I.P.—DRUGS•

MILITARY AID TO EL SALVADOR SHOULD BE STOPPED

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

• Mr. CONYERS. Mr. Speaker, I oppose military assistance to the Government of El Salvador. I take this view because there are fundamental truths that should guide the foreign policy of our Nation, that El Salvadoran aid contradicts.

It is against our national interest to support a government that engages in a consistent pattern of violation of the human rights of its own people. The record indicates the Government of El Salvador has consistently and grossly violated the basic human rights of its people. We violate the spirit, if not the letter, of U.S. law when we provide military assistance to that country because of its violations of internationally recognized human rights. In El Salvador the Government has shut down universities, gunned down students, teachers, and religious leaders, banned labor activities, and murdered countless peasants.

It is horrendous enough that these acts of official violence have taken place. It is equally unthinkable that the Government of El Salvador has made no effort to bring to justice the perpetrators of this violence. That government still has not fully investigated and taken action to apprehend those who were responsible for the murder in El Salvador last year of six American citizens.

We should learn from history. Our present policy toward El Salvador indicates we have forgotten the lessons we should have learned from our experience in Vietnam, where we supported a government that was rejected by its own people. There are too many similarities between the two situations. We are not only risking our own sense of humanity in providing military aid to El Salvador; we also are risking the loss of American lives, who may someday be involved in armed conflict in that country.

I am committed to the view that U.S. foreign aid should reflect and reinforce our constitutional tradition and our own concern for safeguarding human rights. If we follow this principle, there can be no ground for providing the El Salvadoran regime with military assistance.

Many of my constituents have been enraged by our present policy toward El Salvador, and I want to share some of their comments, which follow, with my colleagues.

ASSOCIATION OF BLACK COMMUNICATORS,
Detroit, Mich., March 9, 1981.

Representative JOHN CONYERS,
First Congressional District,
Detroit, Mich.

DEAR REPRESENTATIVE CONYERS: We, of the Association of Black Communicators here at Wayne State University, are sending this letter to urge you to support and co-sponsor House bill HR 1509 when it comes to the House floor for debate. HR 1509, if passed, would prevent further "economic" aid from being sent to El Salvador. This aid is one of the primary forces being used to further subjugate the people of El Salvador, and in doing so, it ensures that the poor and oppressed in that land will remain that way forever.

El Salvador, which is in the midst of a civil war, has the potential to become another Viet Nam if U.S. intervention is not halted. This also is one of the prime objectives of HR 1509. By this country continously sending in "advisors" and aid, we are heightening that potential; by this country repeatedly sending "non-lethal" weaponry despite world-wide objections, we are moving one step further towards war—a war which in turn has the potential to escalate into a third world war.

Opponents of the bill say that the $90 million in aid is necessary to help stop the soviet backed aggression on El Salvador's junta government and her people. But as countless facts arise to contradict their statements, we see who the real oppressors are: the junta government to whom the aid is being sent.

In short, this country which supposedly supports democracy and human rights, finances and supports a government which controls its citizens through torture and murder; a government which is reminiscent of the government of Nazi Germany.

In conclusion Rep. Conyers, we of the Association of Black Communicators emphatically urge you to lend your name and conscience to H.R. 1509 which would halt the aid being sent to the fascist government of El Salvador.

The humanity and dignity of the people of El Salvador are being gambled with, and it is most surely a gamble they will lose unless this aid is halted.

Sincerely yours,
FRANK EDWARD CORN, Jr.,
Acting Secretary, the Association of Black Communicators.

COORDINATING COUNCIL ON HUMAN RELATIONS,
Detroit, Mich., March 9, 1981.

Hon. JOHN CONYERS, Jr.,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CONYERS: The Coordinating Council on Human Relations urges you to support House Resolution No. 1509 in opposition to military assistance to El Salvador.

We believe any military aid to that government will merely contribute to the violence which is decimating the Salvadoran people. Military aid to the government was opposed by the late Archbishop Romero, which is apparently the reason he was assassinated. The present Archbishop, Rivera Damas, blames the Security Forces for much of the violence which is directed against Church personnel.

It is clear that only political and economic adjustments are able to bring about a resolution to the conflicts in El Salvador. Our government should lend assistance to these efforts in addition to assisting the United Nations' humanitarian relief efforts.

Our own history as a free nation should make it very clear that military imposition of an unjust and unpopular regime will not work. Thus, in being true to the principles in our Declaration of Independence and Constitution we make our greatest contribution to the peace and well-being of Central America.

Thank you for any effort you make on behalf of a rational, forward-looking, humanitarian U.S. policy in Central America.

Respectfully,
JOSEPH RADELET,
Chairperson.

GESU CHURCH,
Detroit. Mich. 48221

Mr. JOHN CONYERS, Jr.,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. CONYERS: I am writing to voice my support of any proposed House bill to discontinue military aid to El Salvador. It seems that urgent opposition to the recent increase in military advisors and equipment to the ruling junta is called for both from citizens and their representatives.

Thank you for your consideration of this matter.

Sincerely,
DANIEL F. SINNOTT, n. S.J.●

THE MEDICAID CAP PROPOSAL: A DISASTER FOR THE POOR AND ELDERLY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. STOKES. Mr. Speaker, I would like to address my colleagues in the House on an important issue that is becoming increasingly clear—the administration's proposal to cap Federal medicaid expenditures will cause unnecessary harship on State governments, the poor, the elderly, and the unemployed.

This is a serious issue that each Member must consider at that important time when we cast our votes on the administration's program for economic recovery. One of the outcomes we can expect from this program is that thousands of individuals working on jobs that are funded by the Comprehensive Employment and Training Act (CETA) will be terminated, along with other public service employees. While the central question that will remain due to the affects of the medicaid cap will be: How will the poor and unemployed purchase medical care when Federal expenditures for medicaid are capped?

The medicaid cap on Federal expenditures as proposed by the President will increase the annual deficits for many hospitals, community health centers, and local governments. Many States which have expanded their medicaid plans in recent years in terms of eligibility—for example, medically needy categories—and scope of benefits have made medicaid an expensive but necessary program. In light of this issue, many State goverments will no longer feel the need to be responsive as the impact of President Reagan's budget cuts reduces medical and social service programs. I believe that the administration is pursuing the wrong course to combat inflation—by reducing access to medical care for the elderly, pregnant women, children, and the unemployed.

Mr. Speaker, the proposed cap on medicaid expenditures will undoubtedly alter existing State financing and support for needed health care to the poor, by reducing recent progress to guarantee equal access to the most needy in our society. Since State medicaid expenditures have been increasing at an alarming rate, and Federal matching funds are based upon an outdated formula which fails to consider inflation, unemployment, and uncompensation care costs this penalizes many States and urban communities such as my own district, Cleveland, Ohio. Consequently, the medicaid cap will eventually require more States to alter their State medicaid plans to reduce access to medicaid benefits, to reduce eligibility for the poor, or to further limit reimbursement rates to providers which will curtail any hope at assuring access to mainstream medical care for the poor.

The medicaid program has required each of the 54 State and territorial medicaid plans to provide benefits to AFDC, SSI, blind, disabled, and poor members of their populations who are considered the medically needy. The proposed cap will encourage States to decide among two alternative cost containment strategies to reduce the cost of the program: First, reduce access to medical services for the elderly who are the largest group that are served by medicaid in hospitals and skilled nursing facilities; or second, remove adolescent youths ages 18 to 21 from the AFDC medicaid eligibility population who are served by clinics, physicians in private practice and community health centers.

One should be aware that there is a high rate of adolescent pregnancy among women of the ages of 18 and 21 who would no longer be eligible for medicaid if eligibility were restricted from this age group. If a reduction in current income eligibility should occur, it is possible that a large volume of truly needy elderly persons would be without resources for basic health care.

Under current law, States are restricted to pay inpatient costs and nursing home costs, based on reasonable costs of providing care. Little or no reductions in payment can be anticipated on such care unless alternative methodology is approved by the Department of Health and Human Services (HHS).

However, outpatient reimbursement is not so rigidly defined under the medicaid program. It can be expected that some States will use the medicaid cap as a means to reduce millions of dollars for outpatient and primary care. This can easily be accomplished by changing from an encounter rate in hospital outpatient clinics and community health centers to the private physician compensation rates. The effect of these reductions in reimbursements will result in reduced access to medical care for the medicaid beneficiary. Consequently, more hospitals and community health centers will receive less funds for a primary care visit, which will increase the number of closures and institutions will have less financial resources. Urban areas with large medicaid populations such as New York, Los Angeles, Houston, Philadelphia, and Cleveland will feel the reductions in reimbursement for medical care, as States will begin to react to the Federal medicaid cap.

Many hospitals will be forced to close hospital based primary care clinics or reduce patient hours for outpatient visits. Other health facilities that receive large Federal subsidies will also face closure due to the proposed Federal 25-percent reduction in funds allocated by the health services block grant. Those institutions that have not organized themselves as fee-for-service business operations and limited the number of services within the encounters rate will face the added burden of extensive bad debts. This will require health facilities to reorganize and improve their management and fiscal operations to deal with the problem of reduced revenue for services. Some facilities that serve the poor may survive during this interim period as we move toward a procompetitive health care system.

A number of health facilities may explore the possibility of developing health maintenance organizations (HMO's) contracts for the provision of care to their client population. This viable option, too, is filled with numerous pitfalls. HMO's are staffed to meet a stable and healthy population mix. Medicaid patients who are known to be the least healthiest patients are very unpredictable as they bounce in and out of eligibility. The number of persons eligible for medicaid fluctuates considerably each month and especially during times of stagnated economic growth, high unemployment, and inflation. Historically, HMO's have not been capable of adapting to: First, major changes in patient loads; second, long periods of patient hospitalization; and third, large segments of their subscribers requiring skilled nursing care and other forms of long-term care. Each of these factors cause HMO's to be concerned about an unstable revenue base. Furthermore, a major issue of concern would involve restricting the elderly patients's freedom to choose a provider, particularly if the medicaid beneficiary is assigned to a health care setting like an HMO.

Mr. Speaker, as just described, the medicaid cap represents an attempt to encourage State medicaid agencies to control their expenditures and allow greater flexibility in the provision of care for the Nation's most needy health consumer. However, this proposal represents reducing access to the most needy in our society, as financially distressed State governments will have to operate more prudent medicaid programs. Consequently, the poor, elderly, and children will bear the greatest burden of this attempt to reduce Federal expenditures in the health care sector.

Mr. Speaker, I hope that each of my colleagues will consider the impact of this proposal when the President's budget comes to the House floor.●

INDUSTRY SEEKS REVIEW OF MARKETING ORDERS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. MILLER of California. Mr. Speaker, I recently introduced H.R. 3022 to reform the marketing order program in order to eliminate the special interest control which dominates marketing boards currently. My legislation would provide consumers, who pay higher food costs because of these orders, with greater substantive participation in the deliberations of the boards, and would mandate that food which is withheld from the market in the future be used in domestic and international food assistance programs instead of being left to rot or used as supplemental cattle feed.

There is substantial interest within the agriculture community for these kinds of reforms. The marketing order program has been roundly criticized not only by consumer groups and, with some frequency, the General Accounting Office, but by the fruit producing industry itself. Independent growers have told my office that the program serves narrow special interests and discriminates against the hard-working farmers while protecting the speculator. The effect is a marginal farming operation for the true farmer, higher prices for consumers, an unnatural and indefensible interference in the much lauded free market system—all resulting in unjustified market control by a single special interest.

I want to share with my colleagues a recent column from the industry publication, The Packer, which calls for a thorough review of the marketing order program. I also want to share a recent editorial from the Fresno Bee, the major newspaper of the Central Valley—where most of California's oranges, and thus the Nation's oranges, are grown—and also editorials from the San Francisco Examiner, the New York Times, and the Contra Costa Times on this same subject.

[From the Packer, April 4, 1981]

(By Tim Linden)

PRORATE PLAN NEEDS DEBATE

The time has come to reexamine the federal marketing order that governs California and Arizona Navel oranges.

With the exception of one year in the early 1950s, the number of California and Arizona Navel oranges that can be shipped domestically each year has been controlled by a federal marketing order. The Agricultural Marketing Agreement Act of 1937 authorized the secretary of agriculture to establish such orders that would aid growers and shippers in marketing their produce.

Soon thereafter, the California-Arizona Navel Orange Marketing Order, with the overwhelming support of the industry, was established.

Until 1961, the marketing order had a "sunset clause," which required growers to affirm their support for the order at periodic intervals of time determined by the secretary of agriculture.

Though controversy about the order existed, each time there was a vote, the industry members who voted usually cast about 98 percent of their ballots in favor of the order. During one year in the early 1950s, because of the continuing controversy, the order was suspended.

According to longtime industry members, chaos followed as shippers, used to marketing their fruit under the restraints of the marketing order, flooded the market with fruit at inopportune times and caused a depressed market for most of the season. The following year, the order was put back into operation, and the next few times it came up for a vote it passed, again with virtually total support of the industry.

In 1961, after the vote on continuation of the order received 98.9 percent "aye" votes, the secretary of agriculture, on the advice of the industry leaders, removed the provision in the order that required periodic voting on the order itself. Since 1961, there has been no such vote on the merits of the Navel Orange Marketing Order, although there was an industry-wide vote in 1970 on some amendments to the order.

For most of the last 20 years, the Navel-orange industry has gone about its business, living under the restraints of the marketing order, with little fuss. Through most of the 1960s, growers and shippers alike made money.

The main job of the ruling group of marketing order—the Navel Orange Administrative Committee, Los Angeles—was to prorate the crop over the entire season so each packer was given an equal chance to market his fruit at all times during the season.

The committee, than as it does now, gave each packer a limit on how much fruit could be sold domestically (including Canada) for the shipping week that began Friday and ended Thursday. The packer's prorate was directly proportional to the percentage of the total crop that he controlled.

This system worked well for years and still is defended by much of the citrus industry. The theory behind this system revolved around the fact that Navel oranges can be stored on the tree well after they reach maturity. So, the industry reasoned that to make sure the crop is marketed in an orderly fashion over an extended period of time, each packer's shipments would be limited each week.

During much of the last 40 years, this system has worked well. Faced with a limited volume of oranges, the prorate system has helped the industry move the crop in an orderly fashion. Proponents of the system claim that shippers have been able to avoid the fluctuations in volume and price that are common with many other fresh commodities. The proponents say this leads to stability in the marketplace, which leads to increased sales and increased returns to the grower as well as the shipper.

But in recent years many say this prorate system has gotten out of hand. No longer does it market the entire crop orderly over the length of the season, but instead it restricts the number of packages shippers are allowed to sell.

For the 1980-81 season, faced with the largest crop in its history, the Navel Orange Administrative Committee has worked out a prorate that will allow shippers to market only about 50 percent of their crop through fresh domestic channels. The number of packages designated for the domestic market is more than ever before, but still it is only 50 percent of the crop.

Growers are forced to dump most of the other 50 percent of the crop, although there is a limited market for export sales, which are not controlled by the prorate system.

The 1979-80 season also brought a huge crop, all of which was not marketed. Faced with back-to-back seasons in which growers were not allowed to market a very high percentage of their crop, the prorate system once again has come under attack.

Proponents of the system say it is the only way to market the fruit orderly and to allow each grower an equal chance for return on his investment.

Opponents argue that the prorate system is largely to blame for the overproduction that plagues the industry today. They claim the system allows the marginal grower to compete on an equal basis with an excellent grower.

Each can sell only a certain percentage of his crop each week, and the total crop marketed each week is supposed to equal the demand. Once the excellent packer has used up his prorate, the customers must turn to the marginal packers. Even proponents of this system agree it tends to keep the less-than-successful grower in the business much longer than if a totally free marketing system prevailed.

Many of these proponents, however, argue that the less-than-successful grower, more times than not, has been in the industry for years and in fact helped to build the industry to its present status. The proponents claim these growers deserve to be protected.

The proponents also argue the consumer is better off because there is little price or supply fluctuation. Given a free marketing system, they argue, the industry would be in a state of chaos as everyone tried to market his fruit during the traditionally high-demand times of the year.

They also claim that weather forecasts and other factors would affect the market, causing growers to strip their trees and to flood the market in times when freezes or adverse conditions were expected.

Opponents of the system, many of whom are marketers of other fresh commodities, argue that the free enterprise system must reign supreme. They claim that the prorate system, especially in years where volume is high, dictates that every grower must lose. They say all it does is limit losses but allows no one to prosper.

Most agree that a free marketing system would result in marketing problems for a few years but claim that in the long run, marginal growers would get out of the business and the industry would be better off.

Opponents argue that the marketplace should determine what the supply and demand is, not a committee of industry representatives.

Although there are many issues involved in this question (more than possibly could be covered here), it is obvious that open debate is necessary. Growers have not voted on this system in 20 years, and clearly, an examination of the issue is needed. The free marketing system may not be the answer. But, it is clear the prorate system also has its faults.

If the prorate system is a godsend for growers, shippers and consumers alike, it should be able to withstand a public debate and a vote by the industry.

[From the San Francisco Examiner, Apr. 15, 1981]

INDEFENSIBLE DUMPING OF FOOD

Rep. George Miller, D-Contra Costa, has moved to break up a bureaucratic squeeze play dating back to 1937 with his bill to reform a federal agriculture program that shouldn't exist.

The object of Miller's attention is the marketing order program directed by the Department of Agriculture, which in substance, as the congressman claims, "artificially inflates food prices, undermines the competitive market system, injures consumers and encourages the squandering of vital national resources."

A case in point: The Navel Orange Administrative Committee controls the sale of oranges. It forces growers to trash, give away or use for cattle feed part of their crop in order to stabilize supplies and prices.

In California this year, there is a record orange crop. This does not mean that prices are lower for consumers. A marketing order by the NOAC has required growers to get rid of hundreds of thousands of pounds of the citrus.

The resulting piles of dumped oranges are straight from "The Grapes of Wrath."

"The works of the roots of the vines, of the trees," wrote John Steinbeck, "must be destroyed to keep up the price, and this is the saddest, bitterest thing of all. Carloads of oranges dumped on the ground."

What's been happening indeed is a dismal commentary. The regulations run counter to common sense or to that which does the most good for the most people. They provide an excellent example of what President Reagan means when he speaks of government grown too large in its power.

[From the Fresno Bee, Mar. 18, 1981]

LET THEM EAT VITAMINS

As many as 500,000 tons of sweet, healthy California and Arizona oranges will be buried, fed to cattle or otherwise destroyed this year. The Federal Marketing Order for Navel Oranges is trying to keep prices up in the face of a bumper crop. So it has raised its size standards: Oranges that would have passed muster last year are this year deemed too small for fresh fruit sales. And it has lowered to less than 50 percent the proportion of each farmer's crop that can be sold. The oranges that will be thrown away as a result could have supplied four to five pounds of fresh fruit to every man, woman and child in America.

The marketing order allows farmers to give away to charity any oranges that have been ruled unsellable. But when Skip Pescosolido, a Tulare County orange grower, gave his oranges free to several Bay area poor people's cooperatives, the marketing order threatened to fine him. Since the co-ops themselves sold the oranges (to cover shipping and handling costs), though at far less than the going price, the marketing order administrators say Pescosolido may be in violation of their price supporting rules. A fine of as much as $10,000 could be imposed, and the threat, as one might imagine has had a chilling effect on other growers' charity.

Thus, mountains of oranges are piling up at a disposal site outside Fresno, while marketing order administrators argue that most customers wouldn't buy small oranges even if they could get them cheap. When a student reporter from the University of California's Daily California asked a U.S. Department of Agriculture official why the small fruit couldn't at least be sold to poor people, the official answered, "Oranges are not an essential food. People don't need oranges; they can take vitamins."

Among the growers, who themselves determine the marketing order standards, which the Department of Agriculture then enforces, the debate centers on "demand elasticity": Does it do farmers more good to jack up prices by holding oranges back, or would lower prices and larger supplies attract new customers and new market, which would continue to order oranges in future, lower-yield years? But while this is far from settled, the more important question for the general public is whether there is any justification at all for the marketing orders any more.

When marketing orders were first established during the Depression, fruit and vegetable farmers were at the mercy of auction centers to which they shipped their fruit without even knowing what they'd be paid of when. Transportation and communication among the famers was so poor that the market was subject to wild fluctuations—gluts that left farmers without income, followed by shortages that left consumers with no fruits and vegetables. There were good reasons to give the farmers the tools and the anti-trust exemptions necessary to organize themselves and stabilize the market.

None of that applies anymore, however. About 90 percent of fresh fruit shipments are now made directly to buyers under firm price contracts. Growers have access to minute-by-minute information via telex about each other and the market, and improvements in transportation and refrigeration—as well as the growth of antitrust-exempt grower cooperatives—would seem to have eliminated the need for further special privileges.

Indeed, the special privileges thus far have been of least help to the small, family farmers they were originally designed to protect. Over the years, the number of orange farmers has dwindled, while the size of the remaining farms has increased dramatically. Many working farmers are now complaining that their protected market is attracting speculators and tax-shelter farmers, as well as supporting farm inefficiency and encouraging the misuse of agricultural land.

Pescosolido, the farmer in trouble for giving away his oranges, has petitioned the Agriculture Department to eliminate marketing orders, or at least to exempt him from the restrictions of the navel orange marketing order. He says he'd rather take his chance on a free market. So would the Consumers Union, which has taken up the cudgel on behalf of orange eaters. It quotes from John Steinbeck, who once looked at the "carloads of oranges dumped on the ground," and wondered why "men who have created new fruits in the world cannot create a system whereby their fruits may be eaten . . . There is a failure here," Steinbeck wrote, "that topples all our success."

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

Rotten Oranges, Crude Pricing

The scene evokes memories of the Great Depression: tens of millions of navel oranges rotting in the sun, abandoned so that growers can get a higher price for the fruit they do send to market.

This conspiracy to restrain trade does not violate any law. In fact, one California grower who, rather than wasting food, sent 115 tons of eating oranges to a consumer co-op for sale to the poor at cost, is now subject to a hefty fine. Nor are oranges an isolated case. Federal agricultural marketing orders limit shipments of 33 different commodities from milk to walnuts, which sell for about $12 billion a year.

Budget Director Stockman worries, with good reason, that such marketing rules are an expensive and unwarranted intrusion in a free economy. While there may be a good case for continuing the system for some highly perishable commodities, the burden of proof ought to rest on producers.

Federal marketing orders are a holdover from the 1930's when thousands of farmers faced ruin from low prices. Producers form committees to set shipping quotas for individual farmers. The Agriculture Department must give its blessing but the committees are left mostly to run their own affairs.

Most farmers say they need marketing orders to survive in a world of rapidly fluctuating prices. Without the Federal backstop, fewer producers would be willing to compete and prices, on the average, would be higher. Consumer groups argue that the Government is supporting OPEC-style cartels that serve only the farmers' interests.

Who is right? Both viewpoints are plausible; the impact of marketing orders, and the case for allowing them to continue, probably varies from crop to crop.

For perishables like navel oranges, consumers may benefit from shipping quotas. It's true that rotting fruit is wasted food. However, without the marketing order, far fewer oranges might have been produced in the first place. But it is hard to see any case for protecting nonperishable commodities like powdered milk or walnuts. When prices are low such foods can be stored by processors or by farmers themselves, to be sold when market conditions improve.

As a practical matter, the problem is complicated by divisions among producers. Marketing decisions must be made by majority rule, but minority interests are not necessarily protected. For example, one marketer of naval oranges, the Sunkist cooperative, is so big that it can easily override the objections of other producers. The industry ought not to set the quotas alone.

A possible check on the system would be to shift supervision away from the Agriculture Department, which tends to treat farmers as clients. Other agencies, like the White House Regulatory Analysis Group created by the Carter Administration, have a broader perspective. Another check might be advance publication of marketing orders, with a mandatory analysis of their impact on production and prices.

It is unrealistic to expect that any shuffling of responsibility can neutralize the power of the farm lobbies. But exposing the marketing order system to public scrutiny just might give the rest of us a say in how much we pay at the checkout counter.

[From the Contra Costa Times, April 10, 1981]

You Can't Give It Away

American Society is a long way from the free-wheeling capitalism of the 19th century and even further removed from the hand-in-hand approach practiced today by government and business in Japan and Europe.

Instead, what we have is a contorted hand-in-pocket method that offers the worst of all possible worlds.

Consider the plights of California's bountiful crop of naval oranges and of consumers who'd like a little relief at the supermarket checkout stand.

In classical economic theory, the abundance of this year's crop—one of the largest on record—would force down prices. Growers would thus sell more oranges and employ more harvest hands and truckers, while consumers would pay lower prices.

Everyone would come out a winner.

Look again. The Naval Orange Administration—a government-appointed committee of 11 growers and one consumer representative—has decided that this year's oranges are too small for the market and hence a half-million tons must be destroyed.

Imagine that. Board members read our minds and decided we wouldn't like the size or quality of the oranges, so they spared us the burden of refusing to buy the feeble little things and instead ordained to dump them.

Grower Skip Pescosolido had the audacity to challenge such a sagacious bit of insight and gave part of his crop to cooperative markets, where they were sold in bins for 8 cents a pound. For his attempt to relieve the consumers' burden, the NOA is harassing him with subpoenas and threats of fines. "It is legal for me to take the oranges and dump them on a drag strip, but it is illegal to give them to a nonprofit organization," he told the Associated Press.

The NOA was founded during the Depression when thousands of American farmers were ruined by drought. Congress created the administration to allow regulation of farm markets.

But the system's gone amok when oranges are dumped in the desert to rot while consumers are paying 12 percent more than last year for what's left of a bumper crop. And it leaves a sour taste in the public's mouth when people remember the hue and cry that was raised when Florida's orange crop was ruined by frost.

It's particularly galling when you note, as Rep. George Miller did this week, that the NOA's growers are using taxpayer-subsidized water delivered through taxpayer-subsidized irrigation systems to grow taxpayer-subsidized crops which are destroyed in order to inflate the taxpayers' food bill.

The public is getting it both ways: It's paying for the water that's pumped in to grow the crops, then paying again at the checkout stand because of the artificially created shortage.

Miller has introduced legislation to end the waste inherent in marketing boards that determine how much of a particular commodity reaches the public. For starters, under his bill, H.R. 3022, at least half the marketing board members would have to represent consumer interests.

We agree. The government should not delegate to private interests such awesome control of the food chain—if, in fact, there's even justification for government involvement in the chain. The boards' decisions affect millions of consumers, not just the handfuls of growers. It's a classic case of the fox guarding the chicken house.

Miller's proposal contains other reforms for the nearly 40-year-old system of marketing boards, all aimed at wresting control from those whose profits rise in geometric proportion to the consumers' bill.

There's a message in the madness that's perpetuated by boards like the Navel Orange Administration, who use the public's money to help grow their crops, then withhold those crops in order to reach even deeper into the public's pocket.

The public has gotten the word. The government had better catch on soon.●

THE HANDGUN BODY COUNT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. LEHMAN. Mr. Speaker, today I am inserting into the RECORD a list of persons in this country who have been killed by handguns during the month of February. There are 617 names on this list, which contains only those reported by the media or supplied by certain medical examiner's offices.

I am particularly disheartened by the fact that 103 of the reported handgun deaths occurred in the State of Florida. Such tragic news does not surprise me, however, since there has been a tremendous increase in the sale of handguns in Florida during the past year.

I hope my colleagues will take a close look at this list, which has been published by the Michael J. Halberstam Handgun Control Memorial Fund, and reflect on what needs to be done to stop such senseless killing.

The list follows:

HANDGUN BODY COUNT, FEBRUARY 1981

ALABAMA (4)

Maia Evans, MacArthur Freeman, Jackie Hobbs, Tommy Squares.

ARIZONA (3)

Bruce Allen, James Rector, Jorge Romero.

CALIFORNIA (74)

Jack Anderson, Armando Armenta, Mary Avery, Ralph Avery, Porfirio Barragan, Alfredo Bautista, Chris Bjorn, Raymond Blacksher, Chiang Boi, Raul Bolones, Helen Bucky, Thomas Bush, Rudy Camarena, Miguel Campos, Michael Carr.

Damian Castille, Alfred Chavez, Clifton L. Covert, George Cozakos, Thomas Cruz, Daniel Diaz, Donuel Dohr, Donna Eckard, Alfredo Bautista, Antonio Fernandez, Debra Galban, James Galvan, Deborah Hadley, Roswell Hahn, Ramiro Hernandez.

Kathleen Hilton, Albert Hohl, Eugene Jorgensen, MD, Tony Jones, Randall Kaestner, Eugene Kelly, Eva Lane, Arturo Lopez, Paul Lorriva, Victor Ma, Winfred McGee, Pablo Mendoza, James Michaels, Joe Miranda, Robert Natividad.

Hong Nguyen, Alexander Palahnuk, Giovanni Paz, Cathy Perez, Dung Pham, Randy Johnson, Jaime Placencia, Eddie Williams, Henry Williams III, Abdul Zakariyya, Maria Diaz, Donna Eckard.

Unidentified females (7).

Unidentified males (10).

CONNECTICUT (2)

Douglas Kozman, Jim Revering.

COLORADO (14)

Vernon Brink, Robert Fresquez, Carlos Garza, Enrique Garza, Glen Greening, James Ihm, Delbert Ritchart, Ron Surratt, Grant Tolvo, Richard Valdez, Roy Williamson, unidentified male (2), Charles Parker.

D.C. (6)

Milton Anderson, Jr., Marquis Copeland, Darold R. Gray, Randy Hamilton, William Nolan, William Walker.

FLORIDA (103)

Miguel Alfonso, Curtis Allen, David Allen, Larry Allen, John Arant, Linda Banks, John Bayly, Philip Coachman, Patrick Brown, Fred Card, Susan Card, William Clinton, Gerardo Demula MD, Julian Diaz, Christopher Drake, Sylvia Drake, Andres Dorueit, Antonio Fernandez, Larry Finney, F. G. Forbes.

Gary Fournier, Everald Freeman, Reinero Fuentes, Jose Garcia, Laudelina Garcia, Phil Glanzer, Guy Gohier, Armando Gomez, Jose Gonzalez, Raimundo Gonzales, Tony Gonzalez, Lester Goodman, Alfredo Gomez, Bert Gross, Russell Hawkins, Willie Henry, Jr., Marta Hernandez, Thomas Hollywood, Adolfo Ibarra.

Curtis Inman, Bienvenido Jaramillo, Louis Jinks, Arthur Kissel, Caonabo Morales, Leonard Morgan, Mark Morgan, Jorge Marrero, Elwood Mathis, Jr., Verna Milligan, Ralph Moreno, Lemmie Nelson, Greville Nesbeth, Ramon Oviedo, Catlina Rizo, Thomas Pittman, Ulysses Putts, Lazako Quintana, Julian Rastrelli, and Catlina Rizo.

Anthony Rotham, Dennis Sadler, Elvira Sanchez, David Smith, Yolando Smith, Steven Smith, Robert Soll, Jesse Stuckey, Maria Tabruae, Azerine Thompson, Harold Timmons, Rogelio Torres, Edward Ward, Edna Washington, Reggie Washington, Terrance Washington, Walter Washington, Wash Williams, James York, and Amos Brown.

Carlton Culliver, Armando Gomez, Otis Hale, Tscwanda Leacock, Caonabo Morales, Andres Pena, Armando Perez, unidentified males (15), unidentified females (2).

GEORGIA (4)

Amber Barnes, Joyce Barnes, Stephanie Barnes, and Ray Frady.

HAWAII (3)

Barbara Mower, Danny Shin, unidentified male.

IDAHO (1)

Byron Kleinkopf.

ILLINOIS (62)

Kevin Anderson, Melan Androvich, Janice Ballard, Joseph Brenner, Alice Calloway, Martha Carter, Diego Castillo, John Castro, Mi Cieply, and Jeffy Cunningham.

Lance Davis, Fred Demkov, Georgia Dobine, Donale Elmore, Millie Felton, Jack Frigate, John Geever, Julias Gerlach, Ollie Glover, and Donale Haygood.

Juan Herrara, Alvis Hill, Ronald Hrabe, Israel Irrazary, Louis Jones, Steppa Junkovic, Zefa Junkovic, Stanley Kamosa, James Kimbrought, Scott Klinker, and Candace Lang.

Edward Latson, Luis Lozano, Dennis Manifeld, Virgil Marshall Jr., Lawrence Martin, Michael McFadden, Walter McKibbin, Earl Mixon, Jr., Kal Mosly, Robert Mumbower, Ester Paynes.

Timothy Petty, Lorenzo Reed, Arthur Roberts, Sean Shields, Candace Shreeves, Marie Slapak, Charles Smith, Thomas Smith, Johnnie Spann, Robert Taylor.

Raymond Thomas, Delroi Washington, Steven Watts, Leslie Whitmarsh, James Williams, Colby Wills, Norman Wade, Nabil Zaia, unidentified males (2).

INDIANA (4)

Vernon Albert Cassady, Vernon Allen Cassady, Michael Medlen, Wilbert Renner.

KANSAS (9)

Alice Henry, Terry Collins, John Gaston, Mattie Jones, Dennis Murphy, Michael Ross, Sandra Rumpf, Robert Tubbs, unidentified male.

KENTUCKY (4)

James Brock, Bobby Mollett, Mary Stubblefield, Bernard Vaught.

LOUISIANA (16)

Robert Bailey, Ella Boston, Sherman Chapman, Katherine Davis, Tyronne Dillon, Nathaniel Frances, Betty Greer, Sandra James, Herbert Jones, Theodore Marston, David Miley, Anne Musgrove, Robert Page, Joseph Perique, Harold Raymond, Ernest Rodriguez.

MAINE (1)

Laura Dow.

MARYLAND (9)

Phyllis Clark, David Clifton, Richard Dishman, Peter Dixon, Reginald Dunnock, Antonio Harison, Joseph Hruska, Juana Requena, Sebastian Russo MD.

MASSACHUSETTS (2)

John Fontaine, Edward Zinman.

MICHIGAN (49)

Charles Alexander, Whitney Alexander, Amir Ali, John Anthony, George Asbell, Dalton Bobino Jr., Jeri Bowerman, Maurice Brown, Robert Bush, Teresa Cummings, Tyronza Davidson, Roosevelt Dawson, Frank Deruyck, Lilliam Donaldson, Vincent Dorsey.

Earl Doster, Karen Downs, Paul Eddings, William Faust, William Foltz, Keith Harvey, Alvester Hunt, Jr., Nathaniel Kellum, Raymond Kokowicz, Derek Lewis, Wade Love, Patrick Lozon, Floyd Lucas, Guiseppe Mastrogiovanni.

Sidney Moore, David Mosley, Matthey Newberry, Edward Norwitzke, Daniel O'Neill, James Pigford, James Richburg, Cleve Rue, Leslie Shark, Ramon Shaw, Bernard Siggers, Theartis Sloss, Kurt Spikes, Eric Spires, Charles Stamps, Karen Starkey, Denny Thompson, Roger Walton, Edward Welch, Arthur Williams.

MINNESOTA (1)

Dennis Clanton.

MISSISSIPPI (3)

Irwin Garlotte, Rebeca Garlotte, Josie Jones.

MISSOURI (32)

Janet Anderson, Scott Anderson, John Barnes Jr., Mark Berryhill, Christopher Carlisle, Rene Daley, Billy Davis, Mark Griffin, Ely Holt, Sr., Tommie Isom, Arthur Jeffery, Norvell Jones, Orion Jones, Tammy Lacy, Francis Lyons, Kathleen McClelland.

Robert Monger, Thomas Moseley, George Pauley, Rhonda Penny, Larry Pratt, Charles Sims, Kristi Smith, Adrian Steckey, Charles Thomason, Kenneth Brown, Rene Brown, Ronald Walker, Roy Walsh, Ann Weible, Janice Womack, Russell Young.

MONTANA (2)

Richard Matye, Dennis Winterhalter.

NEBRASKA (2)

Joan Moravec, Patrick Raiter.

NEVADA (3)

Mark Cuellar, Jesse Flores, unidentified male.

NEW JERSEY (4)

Donna Candon, William Candon, Karen Costello, Olga Tipton.

NEW MEXICO (5)

Guadalupe Gurule, Regina Harris, James Martin, Delmar McDonald, Linda Montoya, unidentified male.

NEW YORK (14)

Joseph Adams, Joseph Adams, Sr., Thomas Bush, Joseph Chan, Elliott Hyman, Iris Jiminez, Frank McIntyre, Walter Montgomery, Raymond Prioara, Cecil Sledge, Albaro Tobon, Americo Torvino, unidentified male (2).

NORTH CAROLINA (8)

Dennis Clanton, Pamela Durham, Annie Pettiford, Hubert Russell, Karen Russell, Patricia Russell, Robert Russell, Tommy Stroud.

OHIO (32)

Ted Bates, Anthony Batista, Anthony Batista, Jr., Charlene Batista, Charles Batista, Shirley Berger, Sonny Bivens, Sharon Burke, Minnie Cameron, Gary Clapacs, Arlanders Dungey, Thomas Featzka, Robert Flanik, Charles Fraley, Donald Gibson, Edward Highley.

Terry Jeremy, Raymond Leach, Leonard Mancini, Timothy McCarthy, Ronald Parmer, Silas Davis, James Payne, John Pruitt, Michael Robinson, Michael Scully, Greg Small, David Tingler, Patrick Verdone, George Walker, Robert Walker, unidentified male.

OKLAHOMA (18)

Miguel Alvarez, William Biege, Lindia Briggs, Paul Cotton, Ray Courtemanche, Curtis Cummings, Sean Denton, John Johnson, Edward King.

John Portwood Jr., Pat Price, Vernon Prince, James Salyer, Guadalupe Sandoval, Irvin Slutzky, Floyd Talbot, Billie Thomas, Deborah Vaughns.

OREGON (3)

Michael Evans, Sesilili Ika, Julie Reitz.

PENNSYLVANIA (13)

Joseph Baynham, Thomas Boneck, Rhea Foster, Kim Georg, Michael Hanly, Willie McLean, William Metz, Billy Merriwether, John Morgan, Robert Proper, Jr., Lee Schuyler, John Weiss, Glen Zell.

RHODE ISLAND (1)

Warren Flinkfelt.

SOUTH CAROLINA (2)

Johnny Smith, David Spencer.

TENNESSEE (12)

Oliver Boles, Jr., Tommy Byerley, Ruby Clark, Rogers Davis, Gayin Duckworth, Ruth Eaves, Herman Evans, Jr., Joyce Gold, Levi Green, Donald Hall, Sylvia Phillips, Sherman Wright.

TEXAS (59)

Carlos Almarez, Oscar Alvarado, Eugene Barrera, Gavino Barrera, Charles Basquez, Irma Cruz, Eugene Dickerson, Donuel Dohr, Tommy Driver, Demetrio Elizondo, Vivian Fair, Leland Faubus, David Frederico, Doug Ferguson, Eva Garay.

Elias Guerra, Gloria Gonzalez, Chester Hartin, Kathleen Heatley, Cassandra Jackson, Cecil Jackson, Stephanie Kain, Timothy Kain, Omer Kelton, Patrick Kelly, Jr., Gary Kunz, Walter Lawhon, Robert Loper, Daniel Liepold, Bernabe Lopez.

Ellen Mack, J. T. McCarthy, Lena McLarty, Edward Meeks, Rodolfo Mendoza, Jimmy Milo, Anthony Montano, Bruno Muniz, Robert Nelson, Jerry Pearson, Kenneth Pierce, Jose Renteria, Raythell Robinson, Ricardo Robles.

Reynaldo Rodriguez, Pat Runyon, Rodolfo Sanchez, Nola Shotwell, L. E. Silas, Brenda Smith, Herlinda Smith, Mark Summers, Roy Soto, Alireza Tavakolshoar, Dalton Usleton, Victor Vallair, David Vigil, John Zeno, unidentified male.

UTAH (3)

Samuel Eaquinta, Darrell Jarvie, Steve Valdez.

VIRGINIA (9)

Albert Allred, William Davis, Earl Derryberry, Jr., Leonard Haymaker, Jessie Hunter, Wayne Milchin, Kenneth Matherly, Samuel Rahman, Otis Webb.

WASHINGTON (10)

Terry Dolan, Emery Buford, John Fletcher, Anthony Glover, Vanessa Kelley, Michael Palmer, Jeffrey Prather, Douglas Prottengeier, Robert Scott, Donald Waring.

WEST VIRGINIA (4)

Jackie Grubb, Billy Hall, Floyd Johnson, James Osburn.

WISCONSIN (7)

Michelle Bearnes, Richard Boeck, Juan Gamilla, Randy Johnson, Dennis Mouzakis, Robert Munbower, Donald Rains.

SUPPORT FOR MARTIN LUTHER KING HOLIDAY

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. LELAND. Mr. Speaker, the Lockhart Elementary School, in the 18th Congressional District of Houston, is in support of making Dr. Martin Luther King's birthday, January 15, a national holiday.

Dr. King was one of our foremost advocates of human rights and certainly, in my opinion, deserves this national recognition. Therefore, I am very proud to have these following names inserted in the CONGRESSIONAL RECORD in support of a national holiday:

Teacher—Ms. Cole

Tanaya Bishop	Javier Tajada
Monashlee Brown	Jeane Taylor
Gregory Carroll	Joe Whylie
Thomas McGarity	Gregory Woods
Stephen Stevenson	

Teacher—Ms. Blair

Reginald Andrews	Shonda Jenkins
Philesia Blain	Eugene Johnson
Remus Brown	Tracy Parker
Vanessa Bruton	Charla Payton
Marcus Carpenter	Charles Terry
Bernard Carston	Shante Walker
Raynold Dudley	Theodore Watson
Derrick Gatlin	Cedric Ennett
Roshonda Glover	Fransha Chambers
Anthony James	Eyvonne Lewis

Teacher—Ms. Jones

Kirk Chappel	Jeanine Lewis
Frank Cooper	Chreris Murphy
Richard Davis	Gus Paige
Danny Doss	Tonya Phillip
Earnest Garner	Aubrey Rhodes
Richard Harleston	Nicky Sowell
La Tonya Hilliard	Felicia Spencer
Joseph Jackson	Sedrick Starks
Toni Jackson	Donnie Tealer
Barri Johnson	Marcus Shelby
Eric Knox	Latacia Hayes

Teacher—Ms. Coleman

Robert Briscoe	Alice Jones
Jeral Clark	Leonard Murphy
Larry Ganey	Anthony Nichols
Shonda Godfrey	Larissa Smith
Antwain Harps	Sycina Townsend
Everett Haven	Charles High

Teacher—Ms. Crystal

Royneil Bishop	Sean Robertson
Willie Coleman	Carlos Rodgers
Gregory Hightower	Latasha Rogers
Deandra Holland	Ignatious Shelby
Donna Huff	Lareisha Terry
Theordora McDowell	Toby Thomas
Angela Moore	Hyman Walker
Veronica Moore	Lafonda White
Rodney Nichols	Patricie Williams
Richard Norman	Calvin Lewis
Cornell Porter	

Teacher—Ms. Hughes

Norma Ammon	Ronald Jones
Courtney Boutte	Edward Lee
Joseph Cezar	Marc Manuel
Sedrick Collins	Shang Matthews
Kirk Fisher	Anthony Moore
Rhonda Godfrey	Scessell Paige
Kayla Hamilton	Demetrius Perry
Keita Hargrove	Keidra Pines
Derek Hemanes	Michael Randall
Qualin Holden	Vernis Scott
Zella Howard	Gloria Terrell
Bubba James	Verlina Washington

Teacher—Ms. McCowen

Timothy Alexander	Dartagnan Hill
Albert Bass	Shemetra Jenkins
Michelle Butler	Lakisha Johnson
Roysi Byrd	Fenyang Lowe
Eric Chizer	John Mattox
Lashonda Clemons	Kahn McCowan
Stevie Davis	Dishia Porter
Jimmy Dixon	La Donna Ro[illegible]ette
Leah Evans	Bridgett Sharpe
Rodney Faulwell	Roshanda Story
Geno Freeman	Monique Thompson
Kechier Glenn	Monica West
Tamera Grant	Daemon White
Ivory Harris	Curtis Williams

Teacher—Ms. Green

Broderick Barrett	John Jones
Dwayne Busby	Winfred Kerr
Kent Chaplee	Donaletty Mims
Zelda Coleman	Cynthia Pennamon
Jacquelin Cooper	Kedrich Randolph
Jeranine Fulton	Jacquelyn Rogers
Christopher Glover	Patrice Sims
Ronnie Harris	Kerstie Spears
Mark Holliday	Lanetrice Webb
Anthony Hunter	Steffanie Hamilton
Angela Jackson	Charles Fields
Felecia James	Kevin Williams

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O. Carpenter	Osby Phillips
Kimberly Chappell	Wendell Raven
Suwan Clemons	Melinda Sergent
Prytrail Davis	Toi Shelton
Ned Evans	Kevin Staves
Tiffanie Foster	Anthony Tillis
Deray Harleston	Tonya Walker
Darrell Jackson	Jesse Watson
Kijanna Jackson	Michelle Williams
Felicia Jenkins	Trimetra Williams
Elbert Martin	Brannon Nealy
Sonya Ward	Belinda Powell

Teacher—Ms. Lydiard

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Carey Briscoe	Dannie Hemanes
Ulysses Galloway	Johnathan Hudson

Thaddeus Keeley
Kenneth Sanders
Taurrance Wheeler
Robert Williams
Syretta Anderson
Derrick Petty
Nickie Jackson

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Titus Harris
Jerry Johnson
Kendra Jones
Brian LaFleur
Jason Proctor
Latisha Rhone
Leroy Sykes
Sandra Washington
Joseph Wilkerson
Riley Mey

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Michelle Bell
Edward Byrd
Bobbie Davis
Carl Davis
Bobby Galloway
Tracy Hackett
Robert Harps
Tina Holden
Gregory Jackson
Jerald Jackson
Kennell Jacob
Macus Kirksy
Robin Leonard
Brodrick Milburn
Stanely Moore
Wiley Oakley
Belinda Richardson
Warren Richardson
Wilbert Roberson
Ja Saucier
Naeshauna Semiens
Aubreae Swanson

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Olevia Brown
Lameka Hamilton
Chammond Hayes
Latecha Jones
Leroy Lewis
Taurus Moon
Michael Moore
Lynette Muchison
Treava Paul
Tarsha Roberson
Neketha Robinson
Michael Rogers
Shalla Sanderson
Katrina Smith
Ronald Thornton
Kimberly Williams
Willie Moore
Kobie Jackson
Dangel Flanigan

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Lawrence Bryant
Otis Howard
Timothy James
Betty Jones
Randy Jones
Kimberly Kelso
Erick Lee
Willie Lewis
Melvin Parker
Patricia Robinson
Lachia Sanders
Rickey Sharpe
Debra Lewis
Chinyere Akuchie

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Lisa Bledsoe
Erick Busby
Quetina Collins
Elliottio Doze
Anitra Edwards
Angela Evans
Daron Evans
Troy Galloway
Thomas Tronown
Terrance Williams
Lisa Wright
Denita Betty

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Ronald Campbell
Cherry Coleman
Tom Doze
Virgina Gardner
Clarence Green
Ruby Hightower
Jetry Holland
Jeffery Jackson
Robert Jackson
Reginald Jones
Dennis McDowell
Kimberly Mitchell
Robert Mitchell
Lokitia Oliver
Terina Renfro
Shawn Savant
Cassandra Smith
Kimberly Sykes
Marlon Titus
Teresa Tone
Yolanda Wheeler
Angela Fields
Derrick Powell

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Alesha Booker
Angela Brown
Tommie Clay
Kenneth Davis
Anissa Fisher
Roderick Harrell
Kevin Harris
Marvin Johnson
Shermanrion Lopes
Yolanda Madria
Chad Moore
Ernest Moore
Poudoo Randolph
Marcus Rhodes
Byron Roberson
Andraea Semiens
Marcus Simmons
Brodrick Smith
Tracy Spender

Natasha Vinson
Altha Wade
Tayna Walker
Reginald Wallace
Demika Warren
Derrick Williams
Tangela Williams
Dokie Jackson
Dorothy Levin

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Demod Blackman
Dana Colson
Sybongile Cook
Cedric Nichols
Timothy Dickson
Alpha Evans
Josette Gallow
Chris Gatlin
Shirlene Grant
Devona Green
September Henderson
Rolanda Holland
Christopher Jackson
Sandra Jackson
Tiffany Jenkins
Gus Jones
Lloyd King
Carmen Minick
Nicole Pelrean
Shashena Polk
Shawn Richardson
Gregory Smith
Tajuana Thibodeaux
Marcia Thomas
Katrina Williams
Bridgett Carrell
Dassen Cook

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Roderick Carlisle
Twanda Carlisle
Torrence Clark
Andre Creswell
Cherylett Frazier
Tambra Galloway
Trina Ganey
Nico Gardner
Rodrick Hannon
Derrick Jackson
Rachel Jackson
Angelia Kirksey
Sammie Lott
Angela Martin
Rachi Mayes
Shannon Meullion
Phyllis Mosley
Anthony Norris
Louis Norris
Carey Phennamon
Deshavnda Roberts
Troy Taylor
Alecia Terrell
Linda Watson
Mario White
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Shalanda Johnson
Stacy Johnson
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Thomas Morrison
James Navarro
Lorenzo Norman

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Kings Manjos
Bobby McCray
Marvin Noland
Andria Moore
David Bleichert

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Donnetta Anderson
Korotha Brown
Alicia Clay
Alivia Coleman
Cedrena Deslandes
Carrie Dixon
Marcus Elmore
Kelvin Foster
Tina Goodman
Keysha Green
Evelyn Hale
Beverly Harris
Eric Henry
Aaron Holden
Andrei Kizzie
Leon Laday
Bernard Plummer
Jarrel Rawls
Kelley Smith
Rodney Smith
Robert Turner
Samantha Webb
Lloyd White
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Yuseth Wright
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Byron Hayton
Brian Harris
Jenifer Brumfield

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Fannie Beckwith
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Tresondri Blain
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James Brooks
Shelia Coleman
Shawn Davis
Lakeesha Decker
Alonzo Galloway
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Kelvin Hinton
Lametria Jackson
Felecia Johnson
Trenell Johnson
Calvin Martin
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Howard Richardson
Tameica Rose
Yaku Rylander
Tara Scott
Cynthia Scott
Towanna Tillis
Antoinete Washington
Raymond Washington
John Webb
Terry White
Sylvetter Wilkerson

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Angie Ellis
Regina Foster
Burnette Garner
Tina Harper
Carter Hunt
Edward O'Neal
Kennan Proctor
Anitra Richmond
Calvin Smith
Thomas Taylor
Charles Thornton
Evelyn Williams

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Michael Edwards
Richie Hayes
Christopher Jackson
Kimberly Jordan
Cedric Nelson
Shedrick Nelson
Treavor Pervis
Harold Roberson
Clarke Rodgers
Sabrina Sowell
Vance Wilson
Kedrick Young

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James Bobino
Sharon Briscoe
Barry Brooks
Helence Bryant
Earletha Callis
Donald Davis
Olivia Hawkins
Sherman Hill
Alex Holliday
Sonya Johnson
Cornelius Jones
Jeffrey Lara
Adrian Moore
Stacy Moore
Veronica Nixon
Linda Oveal
Robert Scott
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Pamela Wheeler
Monique Wilson
Narva Wilson
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Roderick Woodworth
Marlyn Fields
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Louis Harris
Janine Jacko
Bobby Jackson
Cheryl Jackson
Helesea Jefferson
Yolanda Jordan
Johnathan LeBlanc
John Lemon
Shannon Marcel
James Mitchell
Derek Nichols
Roy Pemberton
Latrice Pickens
Wanda Pervis
Derrick Smith
Veolett Spell
Anthony Sykes
Luther Turner
Shelley Wade
Jessie Hill

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Josette Brister
Tracey Butler
Howard Coleman
Erich Davis
Etois Davis
Arezella Durden
Sheree Elmore
Carl Harris
Lester Jackson
Randle James
Johnny Johnson
Dania Kiangs
Lionel Lewis
Loretta Lott
Marlin Lovejoy
Ronald Marshall
Lena Melton
Sequina Moore
Shavillar Polk
Myron Roberson
Renita Rylander
Howard Scott
Tiffany Semiens
Chris Thomas
Christine Tone
Pamela Williams
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Marilyn Fields

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Darrilyn Bartlow
Leshon Burley
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Anthony Evans
Vertice Fulton
Joseph Gallow
Latricia Gilbert
Roderick Glass
Karen Grimes
Rosalyn Grimes
Tony Heflin
Rhodesia Johnson
Christopher Joseph
Samuel Lamb
Angelia London
Reginald Lovejoy
Treveia Miller
Itheca Murray
Ebony Phillips
Ronell Panky
Patrick Robertson
Tobman Robinson

Keith Rogers	Patricia Western
Marjorie Roy	Diantha Young
Donya Smith	Ingrid Carroll
Kristi Wade	Chinyire Akuchie
Tonya Ware	Latanya Durham

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Eric Anderson	Stephanie McDowell
Keith Baldwin	Delton Oveal
Sharon Cook	Clarence Pruitt
Patricia Evans	Shirley Radford
Rachell Gibbs	Bryan Scales
Jeannie Honore	Vanessa Smith
Sabrina Jackson	Dana Terry
Deborah Johnson	Nathaniel Walker
Michael Johnson	Frederick Winbush
Chavarria Knox	Bridgett Ausbie

Teacher—Ms. Foster

Ron Brooks	Eleania Moore
Henry Brown	Rhonda Murchison
Tonya Byrd	Francine Nickerson
Alvin Carter	Janice Noland
Falecia Foreman	Tyronia Oliver
Fletcher Galloway	Charlotte Pervis
Tiska Harper	Edward Scott
Phillip Haven	Sonya Thornton
Terrance Hawkins	Arthur Tone
Cynthia LaFleur	Rufus Warren
Cyntare LeBlanc	Alvin Wilrich
Diana Lipscomb	Tonya Wilkerson
Hoy McBride	Marcus Durham

Teacher—Ms. Ricard

Deanna Aikens	Shawn Jackson
Leroy Allen	Willie Johnson
Anita Anderson	J. Jones
Lisa Banks	April Jordan
Cleopatra Barnes	Tracey Mallory
Kimberly Barnes	Carol Mapps
Sabrina Binion	Drieca Matthewis
Charles Blanchard	Dena Moore
Shenita Farr	Melvin Moore
Terry Flanngan	Tracy Moore
Kim Gardner	Renata Norris
Robert Gardner	Clarence Richardson
Renita Harding	Sarita Titus
Bridgette Henderson	Alicia Tyson
Jonathan Hinton	Jarvis Cook

Teacher—Ms. Ryfa

Ralph Allen	Avis Terry
Tina Banks	Yolanda Young
David Barboza	Mark Yaasmon
Jaime Briscoe	Richard Tieley
Christopher Rodgers	Roquel Tieley

Teacher—Ms. Blair

Danielle White

Teacher—Ms. Jones

Kirk Chappel	Jeanine Lewis
Frank Cooper	Chreris Murphy
Richard Davis	Gus Piage
Danny Doss	Tonya Phillip
Earnest Garner	Aubrey Rhodes
Richard Harleston	Nicky Sowell
La Tonya Hilliard	Felicia Spenser
Joseph Jackson	Sedrick Starks
Toni Jackson	Donnie Tealer
Barri Johnson	Marcus Shelby
Eric Knox	Latacia Hayes

Teacher—Ms. Lively

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Leonard Ganey	Lekeith Smitherell
James Gilmore	Tyrone West
Deshonda Hamilton	Bryant Wilson
Elcuiana Hawkins	Sabrina Wilson
Demetrius Hollins	Dianett Bass
Femikie Kirksey	Fransha Chambers
Dwayne McBride	Clara Wells
Varick Piper	Roland Westbrook
Telisha Powell	

Teacher—Ms. Thompson

Yolando Adams	Jerald Moore
Quinten Burks	Deshanna Myers
April Cezar	Crispian Newberry
Christopher Clemons	Roscoe Rhone
Jada Cook	Michael Scott
Starr Cook	Moniquica Waddles
Pearlynn Crane	Jumarion Walker
Georgina Davis	Rodney Washington
Nicole Davis	Charles Williams
Tiorre Franklin	Shaquita Williams
Jeanette Henderson	Yvette Wilson
Joseph Horton	Terral Reese
Terrae Johnson	

Teacher—Ms. Barnes

Allen Akens	Patrick Robinson
Deandrali Banks	Laverne Thomas
Hannibal Brown	Nelse Tillis
Lee Burns	Cassandra Vinson
Kendra Caleb	John Walker
Tiwana Erwin	Leroycia Walker
Ladonna Hale	Dannettie Willhite
Fredrick Johnson	Natasha Williams
Bendell Lewis	Pearline Williams
Chaquita McDowell	Simon Crawford
Santiago McShon	Ericka Watson
Trina Norris	Keyna Kirkwood
Nichole Phillips	

Teacher—Ms. Cohen

Amos Bass	Edward Pickett
Christopher Buckner	Tammie Thomas
Micheal Hendrix	Joseph Williams
George Johnson	Tarounda Simon
Jimmy Jones	Christopher House
Keysheer Jones	La Fonda White●
Ericca Lott	

IDA NUDEL

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 27, 1981

● Mr. FISH. Mr. Speaker, it is with deep regret for her plight that I join my colleagues today in extending birthday wishes to Ida Nudel, who must celebrate in prison, guilty only of expressing her wishes to exercise her rights as a free individual.

Ida, who is known as the guardian angel of Soviet prisoners of conscience, has always been a special woman in the hearts of souls of those Jews in the Soviet Union who have struggled against tyranny and oppression for many years in order to reach their holy land of Israel or simply to escape persecution. She is a woman of great courage and convictions whose sacrifices over the years she was free were a great inspiration of prisoners of conscience. Her efforts led to freedom for thousands of Jews.

Ida Nudel devoted herself to supporting and comforting those whose fate she now shares in a lonely existence in Siberia. Ida is the only female among Soviet prisoners of conscience, and her health is questionable under the rigors of Siberian winters. Her will, however, remains strong. She does not regret any of her actions, and we can only hope she will endure her hardships until she is set free.

As one of my own adopted prisoners of conscience, I have spoken out on behalf of Ida Nudel many times in the past. I know that she will somehow survive until she can reach Israel. Since there is no easy road to Ida's freedom, we all must continue to speak out on her behalf so that she can be reunited with her family and her people. I urge the Reagan administration to pursue this goal as well and to continue its commitment to human rights in the Soviet Union so that emigration can become available as a realistic choice for all Soviet citizens.●

THE RESEARCH AND DEVELOPMENT INCENTIVE TAX ACT OF 1981

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. SHANNON. Mr. Speaker, U.S. industry has a productivity problem. The Reagan administration believes it has a solution: The Capital Cost Recovery Act, a tax cut that will stimulate investment. Increased capital investment is a major element in an improved productivity rate, and the administration's tax cut proposal addresses it directly, with a revised depreciation schedule. There are, however, two additional elements that determine productivity growth: the skill level of the work force, and development of new technologies. In order to affect all three elements, we need a program that will complement the administration's proposal.

Today, I am introducing the Research and Development Incentive Tax Act of 1981, which contains provisions to prepare workers for skilled jobs, and to fund research in new technologies. Our older, capital-intensive industries require the benefits offered by the Capital Cost Recovery Act. Our new, innovative industries require a different approach. The Research and Development Incentive Act complements the administration's tax proposal. Together, they would affect all three elements necessary for productivity growth.

The Research and Development Act is composed of five provisions:

The first proposal would establish a 25-percent tax credit for increases in a company's research and development spending in excess of its research and development expenditures for the previous 3 years. This has the effect, not of subsidizing ongoing projects, but of providing an incentive to increase new research commitments.

Under this proposal, small firms would incur a greatly reduced tax liability during their startup period.

We can do a lot more to encourage the kind of cooperation between business and universities that will benefit them both, and create jobs. Business can provide expanded research and development opportunities for education, and education can provide new ideas and trained personnel for business.

The second part of the Research and Development Incentive Tax Act would offer tax breaks for businesses that support university research. The corporate donor would agree to supply research funds to universities in return for a 25-percent tax credit on an amount deposited in the credit reserve. The money in the fund would not be taxed, and a 10-percent deduction would be allowed when the funds were withdrawn.

The third provision of the act would amend the Internal Revenue Code to increase the tax deduction that is presently allowed for corporate donations of newly manufactured equipment to universities, colleges, and vocational schools. The equipment donations proposal is intended to accomplish two objectives: First, it would assist universities in expanding research programs, and, second, it would help reduce the current shortage of trained technical personnel.

The fourth provision entitles businesses to offer incentive stock options to their employees. This would enable employees to share financially in their company's growth, while their investment provides funds for the company's expansion.

And, unlike bonuses, incentive stock options would provide long-term productivity increases rather than short-term profits. This provision would help insure that once technological innovations are developed, they will be put to productive uses. Stock options would particularly benefit employees of small technological firms with large growth potential.

The fifth provision would insure that domestic corporations not move their research and development facilities overseas in search of more favorable tax treatment. U.S. companies would be allowed to deduct domestic research and development expenses from their domestic income, rather than having to allocate a portion of these expenses to their foreign income, as they are required to do under current law.

These five provisions offer a coordinated approach to training personnel for skilled jobs, and to stimulate research and development. The cost is minimal, In fiscal 1982, the total revenue loss estimate for the entire package would be $728 million. By fiscal 1985, the estimate total would be $1.039 billion. The 25-percent tax credit for research and development expenditures is the most expensive component; in fiscal 1982, it would cost $522 million. Deduction of research and development expenditures from domestic income would account for $108 million of the total. The tax-exempt reserve, along with its corresponding tax credit and deduction, would account for $86 million of the fiscal 1982 revenue loss. The equipment donations section would cost less than $10 million. Incentive stock options would cost less than $2.5 million in fiscal 1982; by fiscal 1985 however, this provision is expected to raise $30 million in net revenues.

A decade ago, the United States had the highest living standard of any country in the world. We now rank 10th among industrialized nations in per capita income. American productivity has declined in each of the last 3 years. From 1970 to 1978, manufacturing productivity in West Germany rose 73.3 percent faster than in the United States; in Japan, it rose 71.2 percent faster; and in France, 42.2 percent faster. Those countries actively support industrial research and development; the United States does not. Japan, for instance, targets high-potential industries and provides developmental subsidies, accelerated depreciation, and soft loans for research and development. All Japanese businesses are allowed a 20-percent tax credit for research and development, and special depreciation for research and development plant and equipment expenditures. Although approximately three-quarters of the U.S. gross national product in this century can be attributed directly to innovations made possible by research and development, the United States now offers no research and development incentives.

The administration has included a special 3-year depreciation category for research and development in the Capital Cost Recovery Act. This provision does not, however, go far enough. Equipment purchases constitute only a small portion of the total research and development expenses; the predominant expenditures are for salaries and overhead.

Depreciation changes would stimulate capital investment, but in order to resolve the problems of acquiring a skilled work force and promoting innovative research, a complementary program of tax incentives is necessary. The Research and Development Incentive Tax Act of 1981 can, at minimal cost, complete the administration's program for restored U.S. productivity.

The Congress of the United States must, in addition to providing a business tax cut, initiate a comprehensive industrial policy for economic recovery.●

INTRODUCTION OF THE COASTAL BARRIER RESOURCES ACT

HON. THOMAS B. EVANS, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. EVANS of Delaware. Mr. Speaker, from Maine to Texas most of our coast is fronted by barrier islands and related structures. These low-lying, storm-prone areas, in their natural state, are the mainland's first line of defense against the full fury of storms and hurricanes and they create and maintain the estuaries which nurture vital fish stocks so important for commercial and recreational fishing. These "geologic banana peels," as they are sometimes called, are victims of a rising sea level and the combined effects of waves, tides, and wind, and they are exceptionally hazardous places for permanent human habitation.

Mr. Speaker, the Federal Government has played a significant role in encouraging and perpetuating development of coastal barrier structures. This fact has lead me to introduce the Coastal Barrier Resources Act, a bill which withdraws Federal expenditures and financial assistance for development on undeveloped barrier structures on the Atlantic and gulf coasts. I am pleased to note that the distinguished Senator from Rhode Island, JOHN H. CHAFEE, has introduced similar legislation in the Senate. Before describing in detail the rationale and content of this bill, let me note that it does not dictate land use decisions for private property owners, nor does it prevent State and local governments from allocating their resources as they see fit.

COASTAL BARRIER RESOURCES

There are more than 400 barrier islands and related structures such as tombolos, barrier spits and beaches, and bay mouth on our Atlantic and gulf coasts. For ease of reference, I will call them coastal barriers or barrier structures. These geologic features consist of unconsolidated sedimentary materials which are subject to wave, tidal, and wind energies and protect landward aquatic habitats from direct wave attack. This last characteristic is especially important, as barrier structures are so named because in their natural state they protect lagoons, marshes, and estuaries—as well as adjacent mainland areas—from the direct attack of ocean waves and storm surges. From Long Island south, over 75 percent of the general shoreline of the Atlantic and gulf coasts is fronted by barrier structures.

Coastal barriers and adjacent wetlands serving as wintering and staging areas for migratory waterfowl and shore birds, and as breeding grounds for shore and wading birds. It is estimated that during some stage of their life history, up to 90 percent of all fish caught on the coast are dependent upon estuaries created and maintained by barrier structures. Sea turtles, most of which are listed as endangered, are totally dependent upon the beaches as nesting sites.

Millions of people live, work, and recreate on our coastal barriers. In fact, over 25 percent of the Nation's population lives within 100 miles of our Atlantic and Gulf coasts. It is important to note at the outset that the legislation I have introduced concerns only those coastal barriers, or portions of coastal barriers, which are presently undeveloped. Undeveloped barrier structures are those which have few manmade structures relative to the total area of the barrier and on which man's structures and activities do not significantly impede geomorphic and ecological processes. Because this is sometimes a difficult task, Senator CHAFEE and I are asking the Department of the Interior, the agency which has inventoried our coastal barriers, to send copies of the maps used in this legislation to affected State and local governments for comment. This procedure will enable the Department and the Congress to refine the maps prior to passage of any legislation.

We also exclude from this legislation coastal barriers which are protected by a Federal, State, local, or private conservation designation such as a wildlife refuge or sanctuary. Thus, out of a total of more than 400 barrier structures totaling 2,700 miles of beach front and about 750,000 acres of fast land, this legislation would affect about 125 barrier structures, or clusters of structures, with roughly 600 miles of beach front and 200,000 acres of fast land.

HAZARDS TO LIFE AND PROPERTY

Permanent human habitation of many coastal barriers is hazardous for several reasons. First, sea level is rising at a rate of about 1 foot per century on the mid-Atlantic coast. Second, the unconsolidated sand of which these structures are made routinely moves about while the works of man require stability. Erosion, or migration rates are high. Lands now considered safe for building may be extremely hazardous or simply disappear within a few years. For example, there is one island in South Carolina where the Army Corps of Engineers predicts that within 50 years, 40 percent of the houses will be in the sea. Another island in Florida has lost 700 feet to the sea in the last 30 years. Testimony before the House last year indicated that construction is now taking place on what only a few years ago were inlets open to the sea.

The third uncontrollable factor making coastal barrier development so risky is their vulnerability to hurricanes and other storms. Storm waves breach and overwash the dunes and entire sections of an island can be inundated or severely eroded. These storms are a fact of life on the coast; for example, between 1585 and 1966 at least 150 hurricanes have affected North Carolina alone. The destructive power of such storms is obvious, yet it seems that we do not learn from the past. For example, West Hampton Beach on Long Island was hit by a hurricane in 1938; it destroyed all but 12 of 179 homes. In 1980, that very same location had 900 homes.

On the Atlantic coast we have been fortunate in recent years to have not had a major destructive hurricane. In fact, it is estimated that 80 percent of the current coastal residents have not experienced a true hurricane, and development of our coastal zone is proceeding as rapidly as ever. When the inevitable disaster strikes—and it is only a matter of time—the price tag in terms of life and property could be exceedingly high.

FEDERAL AID TO DEVELOPMENT

It is difficult to quantify the extent to which Federal dollars subsidize and encourage development on storm-prone coastal barriers, and there is something of a "chicken or egg" argument about which comes first, Federal or private investment. But there can be no question that the Federal Government has invested heavily in developing barrier structures, and that those costs are recurring expenditures from the U.S. Treasury.

Federal assistance comes in a variety of forms ranging from direct expenditures for disaster assistance and highway, bridge, and beach stabilization projects to indirect assistance in the form of loans for home construction, loan guarantees, and flood insurance. A few examples will illustrate the magnitude of Government expenditures to aid development on barrier structures.

From fiscal years 1976 through 1980, the Farmers Home Administration committed better than $45 million to barrier island development in the form of insured and guaranteed loans and grants.

As of March 28, 1980, the Economic Development Administration had 156 projects located on barrier islands, totaling more than $92 million in the form of grants, loans, or loan guarantees.

In 1978 and 1979, claims and expenses for Federal flood insurance policies in coastal high hazard zones, which included barrier structures, exceeded premium by a ratio of more than 3 to 1 ($20.6 to $6.6 million).

In the wake of Hurricane Frederic in 1979, Federal expenditures related to the Presidential disaster declaration in three States total an estimated $456 million, not including expenditures by the Federal Highway Administration, Environmental Protection Agency, and the Department of Housing and Urban Development.

One could go on and on with such a listing, but the best estimate that we have is that in the period including fiscal years 1976 through 1978, the Federal Government spent about half a billion dollars to aid development on coastal barriers. If present policies continue projections of the amount of money which the Federal Government would spend to develop only half those areas presently not yet developed, range from $4 to $11 billion over the next 20 years. While there is a lot of ground between those numbers, there is no question that the Federal contribution to coastal barrier development is staggering and that many such expenditures are not one-time costs. The taxpayer's dollars subsidize development, a hurricane wipes an area clean, the Government provides disaster assistance to rebuild, and the cycle begins again. In essence, the purpose of the Coastal Barrier Resources Act is to stop the taxpayer's dollars from being thrown down a bottomless rathole.

PROHIBITIONS ON FEDERAL SPENDING

Mr. Speaker, this legislation prohibits new Federal expenditures and Federal financial assistance on undeveloped barrier islands on the Atlantic and Gulf coasts. The term "financial assistance" means any form of loan, grant, guaranty, insurance, etc., but it specifically does not include revenue sharing grants to the States, nor does it include deposit or account insurance for customers of banks and other lending institutions. The target of this legislation is those expenditures and forms of assistance, such as grants for road or sewer construction, or loans or insurance for homes, which tend to encourage and perpetuate development of these storm-prone areas. Those Federal projects for which construction moneys have been appropriated, or in the case of loans, where a legally binding commitment has been made, would not be affected by this legislation.

As a practical matter, and as a matter of national security, there are certain Federal expenditures which should not be cut off on coastal barriers. This legislation exempts energy facilities, the maintenance of existing channel improvements (including disposal of dredge spoils) and public facilities such as roads, military activities, air and water navigation aids and devices, projects for fish, wildlife, and habitat protection, scientific research, and assistance for emergency actions essential to the saving of lives and property and public health and safety.

The matter of Federal flood insurance warrants specific mention here. This legislation prohibits the sale of policies with respect to structures the construction or substantial improvement of which commenced after the date of enactment. Existing policies are not affected by this legislation. By prohibiting the sale of flood insurance on coastal barrier structures, this act also eliminated the requirement that an individual seeking a loan have flood insurance as a precondition of securing a loan from a federally-insured lending institution. The decision to issue a loan is properly one between the individual and the lending institution—not the Federal Government. That was the case prior to enactment of the Federal flood insurance program, and if this legislation passes, it will again be the case in these hazardous areas.

REPORTS TO CONGRESS

The effect of this legislation will vary from place to place. In some cases it will serve to deter development of hazardous and ecologically sensitive areas; in other cases, it will not.

I think it is important that in several years time the Congress have an opportunity to review the effect of this legislation and to consider whether the Coastal Barrier Resources Act needs modification in some fashion. For that reason, my legislation requires the Secretary of the Interior to report to Congress in 3, and again in 5 years. These reports, which are to be prepared in consultation with the Governors of affected States and after public hearings, are to include recommendations on whether there should be additions to, or deletions from, the system, whether the prohibitions on Federal expenditures and financial assistance should be continued, or whether additional, alternative, or modified actions should be taken to meet the objectives of this act.

A sum of $1 million in each of 5 fiscal years is authorized to be appropriated to the Department of the Interior for purposes of conducting these studies. This modest authorization level pales in comparison to the savings which the taxpayer will realize from passage of this legislation.

WHAT THIS ACT DOES NOT DO

Before closing, I would like to highlight several things this bill does not do. This act does not give the Federal Government any new acquisition authority, nor does it authorize any appropriations for acquisition purposes. This act does not limit the issuance of Federal permits for development projects such as dredging or bridge construction on coastal barriers. This act does not prevent the maintenance of existing channel improvements or publically owned or operated structures or facilities such as roads. Finally, this act does not dictate land use decisions for private property owners, nor does it preempt State and local government planning and permitting authorities.

CONCLUSION

The essence of this legislation is that the U.S. taxpayer should not subsidize and bear the risk for private development on coastal barrier structures. Private property owners may develop their property as they see fit, so long as it is done without expenditures by the Federal Government. Indirectly, this legislation will also contribute to the protection of lives and property and valuable natural resources. In the long run, the Coastal Barrier Resources Act will make a significant contribution to the saving of Federal dollars and to keeping our coast an attractive, safe, and productive place to work and recreate.

I look forward to the interest and cooperation of my colleagues as this bill moves through the legislative process, and I invite their support.●

HONORING THE 50TH BIRTHDAY OF IDA NUDEL

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 27, 1981

● Mr. ROE. Mr. Speaker, I rise today to salute a woman for whom the word "bravery" does not do justice. I am of course referring to Ida Nudel, the only Jewish woman now being held illegally in a Soviet prison camp as a political prisoner.

This week marks this extraordinary woman's 50th birthday. It is only proper that the House of Representatives, a symbol of freedom of expression, honor her today.

Mr. Speaker, Ida Nudel's only crime was her desire to help other Jewish "prisoners of conscience" and to leave the dreaded Soviet Union for a life of freedom in Israel.

Ida Nudel first applied for a visa to leave Russia in 1971 but was rejected time and time again. It was during this time that she became acquainted with the hundreds of other Jewish prisoners who had been jailed because of their outspokenness in the cause of basic human rights.

Her unselfish care for them earned her the title, "Guardian Angel of the Prisoners of Conscience," but also brought on the wrath of the Soviet Secret Police.

For many years Ida Nudel suffered punishments and humiliation at the hands of the KGB which attempted to brand her as a criminal. She was finally arrested on June 1, 1978, on a charge of "malicious hooliganism" for hanging a banner outside her Moscow apartment that read, "KGB Give Me My Visa."

Following a sham of a trial she was sentenced to 4 years in Siberia.

Mr. Speaker, I pray that this 50th year of Ida Nudel's life will find her released from her bondage and into the Promised Land of Israel. The world must never be allowed to forget Ida Nudel and her fellow prisoners of conscience.●

JOE LOUIS "THE GREATEST CHAMPION OF ALL TIME"

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. CONYERS. Mr. Speaker, for a black man who would achieve greatness in his own lifetime, his life had, for then, a very unpromising start. Joe Louis was the son of an Alabama sharecropper and one of eight children. When he was 2 years old, his father was committed to a mental institution. His family eventually moved to Detroit.

Joe's mother, a strong and highly principled person, wanted the youth to take violin lessons, but he would sneak off to a gym instead, carrying his boxing gloves in his violin case.

As a teenager, Joe quit school to help support a hungry family. He probably would have stayed at the Ford plant, one of thousands of anonymous gifted young blacks who never got the opportunity to develop, had he not possessed such marvelous and clearly superior boxing ability. Joe Louis could simply outbox anybody or anything on two feet.

After capturing the AAU title in 1934, Joe Louis amazed fight experts by winning 34 fights and taking the heavyweight championship from James J. Braddock, all in a mere 3 years time. The record is awesome: World heavyweight champion from 1937 to 1949, he defended his title a record 25 times. Of the 71 professional fights, he lost only 3, recording an incredible 54 knockouts. He is recognized as the greatest boxer in history. But beyond the impressive statistics and fight game opinions, Joe Louis grew to almost mythical proportions, beloved by millions who knew nothing about boxing and idolized by some who never saw him fight.

Several unique things contributed heavily to the legend of Joe Louis. Joe Louis was a symbol of the great American dream—a sharecropper's son who conquered poverty, illiteracy, and bigotry to win a fortune in the ring and give a new pride to his people. A decade before Jackie Robinson broke baseball's color barrier, radios in the Nation's inner cities recorded Joe Louis' fights and spontaneous celebration followed his victories.

He became a black hero at a time when there were few others. Movies of the time usually showed black men rolling their eyes and shivering with fear. But here was the Brown Bomber, an impassive individual who revealed neither hatred nor benevolence. An invincible champion, who refused to pose for photos eating watermelon on his first trip to New York, he said of his opponents in a no-nonsense way, "as soon as I catch 'em, I put 'em to sleep." He was the rare black personality who was easily loved and admired. His rematch with the former champion Max Schmeling, at a time when Nazi Germany was forcing the world into war, was more than a simple heavyweight title fight. Never before and probably never again will American people feel so deeply involved in an athletic contest. What Joe Louis did for American pride was incalculable. His devotion to his country and his wartime military service only intensified the Nation's gratitude. But Joe Louis was uncomfortable in the role of symbol. When New York Mayor James Walker proclaimed, "you laid a rose on Abraham Lincoln's grave," Louis asked, "Jesus Christ, am I all that?" The true strength of Joe Louis' greatness was rooted in simple honesty and generosity. A man who earned nearly $5 million in prize fights during his career and lost much of it to the greed of his associates he never complained or expressed malice toward anyone. He was a patriot who never wavered, despite being hounded by IRS over back taxes and penalties after he had donated the purses from two of his fights to the Army and Navy relief funds and fought numerous exhibitions while in the Army.

In his last years, some felt Joe lost his dignity, that set him apart from other former champions, by working as a greeter at a casino. But the simple goodness of the man raised him above pity and embarassment and maintained a genuine dignity that mere circumstances could not tarnish. For Joe Louis, a days' work was an honorable thing, be it a million dollar prize fight gate, an exhausting wrestling match, when past prime, to pay off tax debts, or greeting guests at Caesar's Palace. Once, when criticized for stooping to theatrical wrestling for employment, Joe philosophized, "it beats stealing." Joe Louis was the greatest because he worked hard and played hard, giving generously and demanding nothing. He walked among kings and never lost his common touch.

The essence of his greatness was best summed up by his younger sister, Eulalia Barrow Bobo:

His personality and behavior reflected the training that his mother gave him. She taught him to live by principles, and to do unto others as he would have them do unto him. He was a great fighter and a very patriotic individual. But, these were not the greatest aspects of the life of Joe. His greatest trait was that he was kind to people. There have been other great fighters and other people who have been patriotic. He never hit below the belt. He was a man of God.

Joe Louis had an ear for small and big things, the powerful as well as the powerless. Everyone was a friend. Anyone who asked for help received it. For these reasons, we will remember his as the greatest champion of all time.●

LETTER OPPOSING ELIMINATION OF ECONOMIC DEVELOPMENT ADMINISTRATION

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. FOUNTAIN. Mr. Speaker, I would like to call the attention of my colleagues to the following letter from Mr. George M. Harris, Jr., a constituent of mine, who is director of the Northampton County Economic Development Commission in Jackson, N.C. This is an example of letters I am getting in opposition to the elimination of the Economic Development Administration—an agency which unquestionably has been a very valuable source of help to many economically distressed areas of the country. Mr. Harris' letter is as follows:

NORTHAMPTON COUNTY
ECONOMIC DEVELOPMENT COMMISSION,
Jackson, N.C., April 7, 1981.

Mr. L. H. FOUNTAIN,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. FOUNTAIN: I have read with great distress, the news articles that point to the complete elimination of the Economic Development Administration by the current Administration. Needless to say we are most disappointed with the possible elimination of this agency (EDA) and one that has been most beneficial to our economically distressed county. I will have to admit, however, that reduction of federal spending is a necessity for our economic future; but at the same time, request that you vigorously pursue budgetary cuts for EDA as opposed to the elimination of the program.

Even though you are aware of the financial assistance our county has received from EDA, I would like to briefly remind you of their recent activities. These are as follows:

(1) EDA grant in the amount of $250,000 matched by other sources for the construction of a medical center. This has now grown to three physicians, two dentists, a pharmacy and an Emergency Medical Service. Without the initial funding for the center from EDA, our county would be virtually without any medical services.

(2) EDA grant for $30,000 for Industrial Park Survey. The study has been completed; however, without a source such as EDA, our rural county will never be able to implement this plan that would undoubtedly have a profound and beneficial impact upon our economy.

(3) EDA grant for $800,000 for establishment of sewer lines in Garysburg that now serves a population of 1,500 (95 percent minority) and an excellent industrial area in the vicinity of Interstate 95. This area heretofore did not have a sewer collection system of any kind. The EDA funds were utilized with state and local funds for the project completion.

Let me say that I do appreciate your assistance in these projects and others that we have been involved in. Our economic situation can only improve with financial assistance that EDA has and could in the future provide. There are no other agencies state or federal including FmHA that is available for assistance to an area such as ours.

Please allow me to cite just a few factors that vividly point out the economic distress of our county. Briefly, these items are:

Labor force	7,910
Employment	7,030
Unemployment	880
Rate (percent)	11.1

DISTRESS STATISTICS

Per Capita Income (1978 latest available figure) $4,726. This is one of the lowest in the state, ranking 88th out of 100 counties.

Average hourly productive earnings for 1979—$3.95

37.9 percent of all families have incomes below poverty level. This is the highest in the state.

46 percent of all persons below poverty level (highest in state)

25 percent of families in the county receive public assistance.

Median family income $4,782 (only three counties in state have lower figures)

Over 65 percent of population is black

63.2 percent of the county tax filers have incomes less than $8,000 and 38.6 percent have less than $5,000 incomes.

Net worker commuting loss of 2,141 (daily)

25 percent of population receives food stamps

Northampton County is designated by the Economic Development Administration as a distressed county.

Again, let me thank you for the services you have rendered in the past and hopefully you will lend support the retention of the Economic Development Administration.

Yours truly,
GEORGE M. HARRIS, JR.,
Director.●

THE VINSON-TRAMMELL ACT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. ASPIN. Mr. Speaker, profit limitations on defense contracts are an important issue in a year of sharply higher defense spending. I am concerned that the Vinson-Trammell Act of 1934, which is the profit-limiting statute now on the books, will be modified or repealed without an adequate reexamination of its merits.

At issue here is a statute which many believe is outmoded and others consider to be a vital check on runaway defense industry profits. On the one side, the Vinson-Trammell Act is technically obsolete, particulary its floor, set in 1934, of $10,000 per contract for a military ship or plane. Vinson-Trammell is also discriminatory in that it limits profits on contracts for military ships and aircraft but not for tanks and other land vehicles, or for installations. As evidence of the act's obsolescence, the Government has not enforced the statute since 1976 and in the 1981 Defense Appropriations Act this House waived its implementation.

One can also argue in principle that the act has no place among our statutes in peacetime. In time of declared war or national emergency, it is reasonable that the Government claim to itself special powers and protections that can prevent defense industries from profiteering from the national distress. But in peacetime, the national need is not urgent and the Government should not shield itself behind special protections and powers. The presumption in peacetime should be that the Government, like any private contractor, is responsible for and capable of looking after its own interests when it negotiates to buy military equipment. It should not encourage incompetent administration by shielding its negotiators with special profit-limiting laws like the Vinson-Trammell Act.

Those in a nutshell are the main arguments against the Vinson-Trammell Act. There is another side, however. The case for the act argues that a profit limitation of 10 percent on military ships and 12 percent on military aircraft, as the act provides, is entirely reasonable whether in peacetime or in wartime.

Those who support the act argue that these profit levels are adequate. They argue that purchases for the Nation's defense are inherently different from other Government purchases and therefore warrant a special legal framework to curtail profiteering. They argue further that the present act's coverage is too narrow and should be amended to include land vehicles, such as our very expensive tanks and armored fighting vehicles, and of course missiles, especially the proposed MX.

Mr. Speaker, I present both sides of the issue to demonstrate that honest men and women can disagree on it. I do not argue for one position, but this House must collectively take a position—especially at this time when we are approaching massive increases in defense appropriations.

We have five possible courses of action here:

Repeal Vinson-Trammel, voiding the statute;

Reaffirm Vinson-Trammel and require the Government to enforce its terms, which is not now being done;

Amend Vinson-Trammel, changing its terms;

Replace Vinson-Trammel with a new profit-limiting statute; or

Do nothing.

Of these five alternatives, I would submit to you that the fifth—to do nothing—is unacceptable. I suggest that a statute, which even its supporters agree is obsolete and discriminatory and which the executive branch deems unworthy of enforcement, should not be left standing like a relic to discredit the Congress and the executive branch.

Almost equally unacceptable is the second alternative—to reaffirm Vinson-Trammell in its present form. No one in Government or in the affected industries is on record as believing that the act's 1934 language, with its $10,000 floor on covered contracts, is rational in the 1980's. The administration of such a statute would be a nightmare.

We are left therefore with three possible courses of action—repeal, amend, or replace Vinson-Trammell with an updated statute. Through these courses we either give Vinson-Trammell a decent burial, or renew our concern over profit limitations in a viable statutory form. We should do one of these three.

Mr. Speaker, this job cannot be done properly if it does not engage the wisdom of this House. We need hearings on the issue. It is no trivial issue, any more than excess profits drawn from our fiscal year 1982 defense appropriation would be trivial if our carelessness permitted such profits. We are talking of tens of billions of dollars over the next few years.

There is a movement afoot to ram repeal of the Vinson-Trammell Act through the House. I oppose such a move. The issue is too important to be handled by shortcut.

New hearings on the future of Vinson-Trammell are needed. I support such hearings.

An attempt to railroad a modification or repeal of the Vinson-Trammell Act through this House in the form of an obscure amendment or rider, with no opportunity given to explore the issue in hearings, would be a disservice to the Government and to the taxpayers who elected us.●

THE U.S. AUTOWORKER IN TODAY'S ECONOMY

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. OBERSTAR. Mr. Speaker, Douglas Fraser is one of the Nation's most effective and respected labor leaders. He is also a dedicated and articulate spokesman for progressivism in the United States. As president of the United Autoworkers, he has continued the tradition established by Walter Reuther and Leonard Woodcock.

In the Wall Street Journal of April 27, 1981, Douglas Fraser discussed "The Myth of the Over-Privileged Auto Worker." I include Mr. Fraser's column in today's RECORD. I urge my colleagues to read it carefully.

[From the Wall Street Journal, Apr. 27, 1981]

THE MYTH OF THE OVER-PRIVILEGED AUTO WORKER

(By Douglas A. Fraser)

As he reviewed the annual May Day parade, Soviet President Brezhnev is said to have asked an aide who the well-dressed civilians were who marched alongside the soldiers. Told they were economists, Brezhnev demanded to know why economists were in ranks with the military. "You would be surprised at the damage they can do," the aide responded.

One group in America that can attest to the damage at least some economists can do is the nearly 200,000 auto workers who have been laid off for months with little hope of returning to work soon.

Having suffered an import invasion and a regional and sectoral depression caused by economic policies designed to battle inflation with high unemployment, auto workers lately have endured attack after attack from certain economists who want to blame wages for the U.S. auto industry's slump.

You cannot pick up a newspaper or turn on the tube without being subjected to the handwringing of a Peter Drucker or a Paul McCracken. Their message: Auto workers are gluttons whose greed has brought about the decline and fall of the Big Three.

40 PERCENT OF AMERICANS EARN MORE

Before accepting the myth of the over-privileged auto worker, consider the following:

An average auto worker at General Motors who worked a standard 40-hour week in 1980 earned $21,456, about $1,700 less than the $23,180 the federal government said was required for a modest standard of living for an urban family of four. Nearly 40% of working Americans earn more than the average auto worker.

Despite cost-of-living increases, the auto worker, like most other workers, suffered a decrease in real purchasing power last year because of inflation.

Where the U.S. Big Three auto workers hourly labor cost in 56% above his or her Japanese counterpart's, the typical U.S. auto manager outearns his Japanese colleague by some 700%.

The percentage of the corporate dollar going to labor costs has remained essentially the same for many years, as have auto workers' wages as a percentage of sales.

None of this is to argue that auto workers have failed to negotiate good labor agreements over the years. Their success in winning a decent standard of living—now under such direct attack—is an accomplishment of which they can be proud.

The UAW's bargaining gains in the auto sector occurred because it is a high productivity and high profit industry. The auto worker's slice of the economic pie has been decent, because his or her labor helped bake a pie that has been large. Despite six cyclical downturns, productivity increases in the auto industry have averaged 3.4% since the 1950s—outstripping by far the manufacturing sector average. The slippage since 1978 can be traced to low capacity utilization. Those who cite the gap between auto wages and manufacturing wages conveniently ignore the fact that over any 10-year period one chooses, productivity and profitability in the auto sector have also run ahead of the manufacturing sector average.

The UAW over the years has not opposed the introduction of new technology into the workplace, because we understand that decent labor settlements depend on that productivity growth. The union believes that the benefits of higher productivity should not accrue just to Big Three executives and shareholders, but to the workers (through improved wages and benefits) and consumers (through price moderation and higher quality).

The productivity of the U.S. auto sector continues to remain among the highest in the world. Despite the closing of the gap between the U.S. and Japan due largely to our industry operating at under 60% of capacity, the U.S. economy can produce a small car in just about the same number of labor hours as the Japanese economy.

At the same time that gap has narrowed auto workers' wages in other countries have been increasing more rapidly than in this country. The Bureau of Labor Statistics calculates that hourly compensation from 1975 to 1980 in the motor vehicles and equipment industry increased 101% in Japan and West Germany, and a far lower 68% in the U.S., despite higher U.S. inflation.

Hourly compensation today of U.S. auto workers no longer significantly exceeds that of our industrial trading partners, except Japan. In several cases, such as West Germany and Belgium, real labor costs per hour actually exceed those paid here. And in many countries, auto workers' job security and input into corporate decision making far exceed what U.S. auto workers enjoy.

Japan's tremendous gains in the auto export sector can be attributed in large part to the lower wages paid auto workers. Companies such as Nissan and Toyota currently reap the benefits of high productivity, while they pay wages as if those workers were employed in an auto industry with the productivity level of Mexico, Spain or at best Italy.

High productivity, in other words, doesn't earn auto workers decent purchasing power in Japan. Where it takes a U.S. worker the equivalent of 600 hours of straight time pay to buy a Dodge Omni, a Japanese auto worker must labor for 1,100 hours to buy a comparably equipped Toyota.

Much of our country's economic growth has come because workers' wages have been sufficient to enable them to buy products which in turn have created jobs and prosperity. One has only to go to the new Ford plant in Valencia, Spain, with its postage-stamp size parking lot, to recall our own early days when no one earned enough to afford to buy the cars they built. No one has a bigger stake in the fight to remain competitive with foreign producers than the worker. Yet the answer does not lie with rolling back workers' wages to the levels paid in Japan or Korea or Brazil.

The ripple effect of that would be devastating for the American people. Decent wages don't benefit just the worker. They benefit the small merchants where the worker shops, the real estate agent who sells him a house, the company that builds the TV set he buys, the insurance agent who sells him a policy, the dentist who treats his kids' teeth, the school district where his taxes pay the bills and on and on.

Competing on wages with countries that share only minimally the benefits of productivity with their workers can hardly be an appropriate national goal for America.

Still the economists and pundits clamor for wage cuts in a climate that must be the worst for the auto industry since the Great Depression. Quick to demand a sharing of sacrifice, they remained silent when the issue was a sharing of abundance.

The chairman of GM recently urged auto workers to "come to the party" by reopening labor agreements and, presumably, forgoing gains previously agreed to by the company. No one at GM, however, suggested auto workers come to the party in mid-contract when GM posted 1978 profits of $3.5 billion.

DISSERVICE TO THE WORKERS

Those who have attempted to depict wage levels as the cause of the auto crisis do a disservice not only to the workers who are suffering from the downturn, but to the broader public, because attention is diverted from the real causes of the industry's problems.

To get the auto industry moving again, the government must abandon the discredited strategy of purposefully engineering recession to attack inflation. Interest rates in the 16% to 20% range absolutely devastate auto sales as loan money dries up and dealers become unable to carry cars in inventory.

The Reagan administration should take actions that would stimulate the industry, such as tax credits for individuals who buy more fuel-efficient domestically produced vehicles and replace their older, less safe and more polluting gas guzzlers.

President Reagan must achieve meaningful and binding short-term restraints on Japanese auto exports during the immediate period in which the U.S. converts to compete in the small car sector. Equally important, the UAW has been arguing for many years that Japanese auto companies must be required to open plants in the U.S. where they currently have an $11 billion market.

Attacking these very real causes of the auto depression offers the best hope for rebuilding this crucial segment of our economy. While wages are not the real villain the Druckers and McCrackens make them out to be, labor-management relations may very well have to change as part of this process.

Rather than seeking to lower workers' already-eroding standard of living, why shouldn't we seek changes that will result in a bigger economic pie being baked through higher productivity, economic stimulus and fair trade and investment policies?●

MENTAL HEALTH

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. MINISH. Mr. Speaker, I would like to share with my colleagues and the public the remarks made by a distinguished New Jerseyite, Vincent Visceglia, on the subject of mental health. Mr. Visceglia has distinguished himself by his work on behalf of mental health, work which has been recognized by such organizations as UNICO National and the Columbian Foundation. Last November, the Mental Health Association of Essex County paid its own tribute to Mr. Visceglia's tireless concern for the well-being of people everywhere, honoring him at its Crystall Ball, the 11th annual fundraising gala of that worthy organization. On that occasion, Mr. Visceglia put his own efforts into perspective by sketching the progress which society has made in coming to cope with mental illness and to foster mental hygiene. I congratulate this fine American on his good work, which has benefited many people, and I insert here in the RECORD the text of his address:

ADDRESS DELIVERED BY VINCENT VISCEGLIA

I am grateful for this award, which I accept in the name of all of you present and the ladies and gentlemen working for the Mental Health Association of Essex County.

Above life itself, God gave human beings the beauty of the mind, a gift of an immeasurable great value and truly divine.

Of all man's natural faculties, the power of the mind is the most important. With our intellect we have the faculty of thinking and acquiring knowledge, especially that of a high order.

With a glance of our mind we can quickly review any period of time, any sequence of events, or see all those dear to us, all in an instant.

The capacity of our mind is limitless; one can study all the millions of books in the world if one had the time to do it, and would only begin to fill the capacity of the mind. No other living being on this earth is endowed with the power of intelligence, memory, imagination, and mental ability as man.

With our ideas, our aspirations, our mental study, creativity, and application, yes, and also with our dreams. We can accomplish almost anything. How else could we enjoy the miracles of science and technology, succeed in writing beautiful poetry, or creating a symphony, or a masterpiece in painting, sculpture, architecture, literature, or be able to go to the moon, create computers, or make progress and succeed in so many ways, if it were not for the infinite capabilities of our mind.

The condition of our mind is part of our health, which is a state of complete physical, mental, and social well-being, and not merely the absence of disease or infirmity. In other words, a healthy person is one that not only is well physically, but also mentally. The health of our body is highly important, and physical pain makes us suffer, but consider, ladies and gentlemen, how much more distressing is the suffering of those who have mental disorder, mental weakness, emotional instability.

While for thousands of years we paid attention to alleviate pain and diseases of the body, with medicines and other remedies, and we also medicated wounds and even did surgery, rudimentary as it might have been, we did practically nothing for mental health.

We called the insane, crazy, we isolated them or put them in state institutions and we practically ignored all those who had mental weakness, or low intelligence, or were suffering with excessive anxiety, due to bad home environment, poverty or other reasons.

Throughout the ages, they were viewed with a mixture of fear and revulsion. Their fate generally was on of rejection and neglect. In London and in Paris, they were shackled and put in jails with common criminals, to isolate them from ordinary society. In British Colonial America mentally deranged persons frequently were auctioned off to be exploited by farmers. Even one hundred years ago, when this country tended to improve conditions, with state-supported facilities, called mental hospitals, we increasingly had maltreatment and neglect for the mentally disturbed.

Only in this century, the attitude to mental disorders by national, state, and county governments, as well as people in general, finally changed, thanks to the first energetic impetus of a former mental patient in Connecticut, Clifford Beers, who in 1908 published his book. "A Mind That Found Itself." This book was translated into many languages, inspiring students and mental workers to promote improved conditions in schools, hospitals, and in institutions.

Beers' public agitation began a mental health movement by forming an international committee of mental hygiene and, gradually, progress was made to the present day, not only in understanding mental disorders and its causes and remedies in adults, but also in developing children.

Our national Mental Health Association during the last fifty years has grown so that now we have more than one million volunteers in the mental health movement and over 1,000 state and local associations like the one in Essex County.

Numerous studies have shown personality defects and delinquent behavior patterns to be especially common among deprived youth.

Such children tend to receive little intellectual stimulation at home, often barely motivated to attend school and are living in neighborhoods which aid in opportunity for trouble. Many of these children become premature and inadequate parents themselves, and impose similar lives of deprivation on a succeeding generation.

But we are making progress. During the last 25 years there was more socioeconomic and technological exchange in the mental world than there had been in the previous century and a half, and during those 150 years more change occurred than in the preceding 2,000 years.●

OPPOSITION TO THE REDUCED VETERANS' PROGRAMS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. FLORIO. Mr. Speaker, today at my invitation a large delegation of New Jersey veterans and representatives of national veteran service organizations met in Washington to plan strategy to oppose the administration's intentions to eliminate or substantially reduce veteran programs. I am pleased that my New Jersey colleague, Congressman CHRISTOPHER SMITH, a member of the House Veterans' Affairs Committee, joined me at the meeting; as well as Ms. Martha Grundmann of the House Budget Committee office.

I regret that the White House and the Office of Management and Budget declined my invitation to participate at today's meeting. Without further explanation from the administration, however, I believe that it is clear that the President's budget retreats from the commitment our Nation has given to veterans that their needs should not fall victim to indiscriminate budget cutting.

I urge my colleagues to be receptive to these concerns and join me in opposing the President's budget recommendations which unfairly impact veteran programs.

Mr. Speaker, for the benefit of our colleagues I wish to include the statement I presented to the veterans who assembled today. The statement follows:

STATEMENT OF JAMES J. FLORIO

The administration has proposed a budget which is a retreat from the commitment given to veterans that programs which recognize and benefit those that serve would not fall to indiscriminate budget reductions.

Programs long fought for to serve those who served whenever our Nation called; programs which recognize and aid the veterans of World War II, Korea and Vietnam, have been targeted by the President for elimination or substantial reduction.

These program reductions were formulated by the Office of Management and Budget without any participation or input by Veterans Administration officals or veteran organizations. As such, these decisions callously disregard learned opinion that our growing population of older veterans require additional V.A. hospital beds and our young veterans are in need of employment and other forms of help.

The administration's decision to cancel the construction of the Camden V.A. Hospital was carelessly made by the Office of Management and Budget without any consideration given to where New Jersey veterans will receive extended hospital and medical care. Camden V.A. Hospital will provide intermediate and long-term care beds to fill an urgent need for these services in the greater Philadelphia area. Veterans and their families should not have to be put on waiting lists for medical attention, as they are now subjected to at Philadelphia V.A., East Orange and Lyons. Camden V.A. Hospital is designed to correct this problem, and provide much needed medical training and research of the medical conditions prevalent among older veterans.

Cancellation of the Camden and Baltimore V.A. hospitals is just a portion of the large reduction the administration has proposed for the V.A. medical network. Other administration requests before the Congress include:

Indefinite postponement of improvement projects of existing V.A. medical facilities.

Elimination of 5,500 V.A. medical personnel. The administration has proposed that the number of V.A. physicians and other health professionals be frozen at its 1979 level through 1986. Thus, the administration has proposed to prohibit the V.A. medical system from enlarging just at the time when veterans will constitute almost 60 percent of our population over age 65. If this proposal is approved by the Congress, the V.A. medical system will be inadequate to provide sufficient inpatient and outpatient care.

Overall, the administration is seeking a $350 million reduction in V.A. health care by next year.

Other indiscriminate administration budget cuts propose to eliminate every program designed to aid Vietnam veterans. While most of these programs are not large or expensive, they have been successful in addressing some of the immediate problems affecting Vietnam veterans. These problems include staggering unemployment, severe psychological problems, and the attitude of many Americans about the war itself. The administration intends to attack these problems by curtailing G.I. bill educational benefits, eliminating on-campus veteran affairs offices which provide career counseling services, and terminating the disabled veterans outreach program which assists disabled veterans to achieve self sufficiency.

Most distressing is the administration's intention to eliminate the 91 "storefront" vet centers which are reaching out to the mentally shocked men and women still haunted by the horrors of Vietnam.

These vet centers do not require large amounts of public monies for support, but at times they are the only type of facility capable of helping many troubled veterans. In only their second year of operation, vet counseling centers have provided readjustment and employment services to 50,000 veterans. Our Nation needs to continue and expand the number of vet centers so that more veterans may have access to their services.

The President's budget should be opposed. By its elimination of veteran medical beds, health care personnel, and medical research, it insures that growing numbers of aging veterans will remain medically underserved and susceptable to chronic disability.

Elimination of programs conceived by and for Vietnam veterans cannot be supported according to merit, and is morally indefensible while one-half million Vietnam veterans are unemployed and others suffer from stress, depression and alienation.

Thank you.●

IDA NUDEL

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 27, 1981

● Ms. FIEDLER. Mr. Speaker, today is Ida Nudel's 50th birthday, and we wish her well on the occasion. Ida Nudel cannot celebrate her birthday in the company of her family and friends for she remains a Jewish "prisoner of conscience" in the Soviet Union. The only woman amongst the Jewish activists who are enduring terrible hardship in Siberia, Ida Nudel's birthday serves as a reminder to us who can speak freely that we must not forget those who only dream of such freedom and of the Jewish community of the Soviet Union, who live and work and pray in the face of mounting and more insidious repression by the Soviet state.

In the United States, Ida Nudel's actions would have made her a concerned citizen; in the Soviet Union, they made her a criminal—a "malicious hooligan" in the surreal "Newspeak" of totalitarianism. Her crimes were asking for a visa to emigrate to Israel and acting as friend, supporter, and guardian angel to Jewish activists and other prisoners of conscience who have suffered in Soviet captivity.

When Ida Nudel put a banner outside her window asking for a visa, the Soviet Government—ruler of the world's largest nation and commander of powerful weapons—saw itself threatened. Arrested in June 1978, Ida Nudel was in short order tried, convicted, and sentenced to Siberia—4 years of "internal exile."

Despite the inhuman conditions suffered by prisoners and exiles in Siberia—to which the writings of Alexandr Solzhenitsyn serve as eloquent testimony—Ida Nudel continues her struggle for freedom. She remains an inspiration not only to Soviet Jewry but to all friends of freedom of conscience throughout the world. Freed Jewish prisoners of conscience, now safely in the West, say: "There are prisoners of conscience who quite literally owe her their lives."

David Chernoglaz, a former Jewish prisoner of conscience who convalesced in Ida Nudel's apartment after his release from captivity has said:

> A person who has not been in prison cannot envisage what Ida Nudel meant to the prisoners. No woman on earth merits more help than she does, for there is no person in this world who has done more for Jewish prisoners. Her constant care and attention is the only factor that keeps their morale high. There is no woman on earth whom we value more.

Clearly, Ida Nudel is an extraordinary person.

Unfortunately, Ida Nudel is not in good health. The Siberian climate, poor diet, and lack of medical care takes a terrible toll of prisoners and exiles. She suffers from ulcers and heart and kidney problems, but she has not been allowed to travel to Moscow for thorough medical care. She has not even been allowed to enter a hospital in Siberia for diagnosis and treatment. Her condition makes efforts on her behalf the more urgent.

We call upon the Soviet Government to show that it is strong enough not to fear one woman, whose only wish is to rejoin her relatives in Israel. To continue to hold Ida Nudel as a prisoner of conscience is not only a violation of Soviet law and the rights guaranteed under the Soviet Constitution, but of simple humanity as well. We call upon the Soviet Government to honor the family reunification provisions of the Helsinki accords in the case of Ida Nudel. We call upon the Soviet Government to end this brutal, inhuman, unconscionable captivity. Ida Nudel has friends and admirers throughout the world. She has received over 4,000 registered letters in Siberia, doubtlessly only a fraction of those sent. They will all join us in rejoicing the day she receives the freedom and the exit visa that today they—and she—can only dream of.

Ida Nudel brings into bold relief the sufferings of Soviet Jewry. Her imprisonment is a threat and warning to the entire Jewish community at a time when things are becoming much worse for them. The number of Jews permitted to emigrate from the Soviet Union in 1980 was 58 percent lower than in 1979. In March 1981, the number of exit visas granted Jews plummeted by nearly 50 percent over even the preceding month's reduced figures. Daily, our newspapers carry reports of further anti-Semitic outbursts in some element of the Soviet press. Discrimination and outright bigotry flourish in professional life, in education, in employment. Ida Nudel's fellow Jewish prisoners of conscience—people such as Anatoly Shcharansky and Viktor Brasilovsky—continue to suffer. "Refuseniks"—Jews who have applied for exit visas and been refused, usually on imaginary grounds—now live the shadow lives of nonpersons in a totalitarian state. We must make sure that our outrage over the treatment of Soviet Jewry and our call for the freedom of all prisoners of conscience become an integral part of our foreign policy toward the Soviet Union. With people such as Ida Nudel still in Siberia, the issue of human rights for Soviet Jewry must receive the highest possible priority. Our American heritage of freedom and concern mandates no less.●

IMPACT AID

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. GOODLING. Mr. Speaker, this Congress should not squander a golden opportunity to propose reasonable legislative savings in the impact aid program. Let me explain. Initiated in 1950, impact aid was the first major Federal elementary and secondary education program. The impact aid program provides funds to compensate school districts for the cost of educating children when enrollment and availability of revenues from local sources are adversely affected by Federal activities. Over the years the impact aid program has been the object of much debate, several major studies, and numerous legislative proposals and amendments.

Even the strongest critics of impact aid acknowledge that "A" children whose parents live and work on nontaxable Federal property are associated with a clear tax loss to the school districts. However, no such consensus exists regarding "B" payments for children whose parents live or work on Federal property.

Since much attention on Capitol Hill lately has focused on fiscal responsibility, I thought it might be useful to explore the justification for a certain category of impact aid payments.

It might be useful to recall that in 1974, Congress eliminated or reduced entitlements for some "B" children. For example, "B" children whose parents work outside the State in which the local education agency is located were eliminated as eligible federally connected children, although the 90 percent hold harmless provision effectively limited this reform. Similarly, entitlements were lowered for "B" children whose parents work outside the county in which the local education agency is located. These changes were based on the argument that because the parents of these children pay residential property taxes, and because the tax loss from the nonresidential property occurs outside the county or State of the local education agency receiving the impact aid money, there is little or no burden on the local school district. In many instances, the Federal presence has stimulated more economic activity and has led to the creation of more taxable property than otherwise would have existed. The argument has been made that in a majority of cases, the Federal presence resulted in an expansion of commercial activities, employment, and the local private residential tax base.

Another longstanding criticism of the impact aid "B" payments is that it results in the distribution of large payments to affluent school districts which may have actually benefited from Federal activity and which could easily support a high level of educational expenditure without impact aid. If one agrees that a major purpose of the impact aid program is to provide an in-lieu-of-tax payment for school districts which have suffered some tax revenue loss through Federal presence, logic alone leads one to question the appropriateness of providing payments for "B" children whose parents work outside the jurisdiction of the school system in which the child attends school. This is especially true in light of the fact that residential property values are often inflated as a result of the demand for property created by the Federal presence. Those people who argue that the tax loss created by the nontaxable status of the Federal installation in their area usually display their ambivalence when anyone threatens to remove that Federal activity to another area of the Nation.

We must have the courage to recognize that there is absolutely no way to accomplish meaningful reform and simultaneously maintain these open-ended payments. We should not lose sight of the fact that the impact aid Federal payment is, in reality, an euphemism for the redistribution of citizens' tax dollars from one geographic area to another. The irony is that in many instances, money is taken from poorer areas and redistributed to wealthier ones. How can this be justified?

This is why I am introducing legislation similar to that which I offered for consideration during the last Congress. This legislation offers a reasonable approach to phasing in a more justifiable and equitable system of impact aid distribution. As a former school administrator I recognize the need for reasonable continuity for effective planning and budgeting. Therefore, my proposal is a reasonable reform which would permit Congress to eliminate certain aspects of the current inequitable distribution formula. This could be done without unduly penalizing those districts in which elimination of Federal impact aid would create an undue hardship. Specifically, I am proposing a gradual 5-year phaseout of the "B" payments—one-fifth per year until complete—to school districts in which "B" category children represent less than 25 percent of the total student population. This compromise solution permits heavily impacted school districts—where "B" students constitute 25 percent or more of the student body—to receive funding. In addition, the gradual one-fifth per year absorption of "B" students by the lightly impacted school districts will permit us to phaseout the inequitable portion of this program without undue disruption for local administrators.

As the Battelle study concluded some years ago, "there is no feasible way to design a perfect procedure for impact aid that accurately measures the net burden of Federal installations." However imperfect our attempts, we must have the courage to cut money that flows into our congressional districts if the rationale underpinning that process is no longer valid.●

CENTRAL NERVOUS DISORDERS: A PROMISING DIAGNOSTIC PROGRAM

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, thousands of people face the deeply debilitating diseases of the central nervous system that take the form of strokes, sensory disorders, and multiple sclerosis, to name but a few. These illnesses have severe musculoskeletal and mental effects, and cause a great deal of anguish. Rehabilitation and treatment is trying at best.

Early and effective diagnoses of illnesses such as these can lead to minimized disorders and improved rehabilitation. This is a major part of the success story of New York's North Shore University Hospital, located in the Long Island community of Manhasset. North Shore is a trailblazer of a hospital; it is in the forefront of diagnostic and treatment developments that are used with great success all over the world. I recently read of the latest work at North Shore's Evoked Potential Laboratory. Under the expert guidance of Dr. S. Murthy Vishnubhakat, this program will become yet another of North Shore's valuable contributions to the field of science, and to humankind as well. I would like to bring to the attention of my colleagues a recent description of this program which appeared in the February 1981 edition of the North Shore University Hospital's newsletter:

EVOKED POTENTIALS REVEAL NEUROLOGICAL PROBLEMS

Patients with diseases of suspected disorders of the central nervous system—strokes, multiple sclerosis, sensory disorders—have a new dimension of clinical diagnosis and monitoring at North Shore—the Evoked Potential Laboratory. Located in the Department of Neurology, it is headed by S. Murthy Vishnubhakat, M.D., Associate Attending and Assistant Clinical Professor of Neurology at Cornell University Medical College.

"We can actually see how the nervous system functions in health and disease," he said. We can stimulate the eye, ear and nerves of the body—the sensory pathways of the nervous system—and measure their responsiveness and how well they function." Electrical activity, the "evoked potentials" in the areas of the brain responsible for mental and body functions, perception and behavior, is measured through highly advanced computer technology that make these delicate measurements possible.

The North Shore neurologist observed that the cerebral evoked potentials are most useful in diagnosing multiple sclerosis, formerly a "diagnosis by exclusion" of other diseases that closely resemble MS. While the examinations are done to measure function, they pinpoint the position of the lesion or tumor in the brain or spinal cord that causes symptoms. The series of three tests can be performed as cost-effective outpatient procedures, and are painless and noninvasive.

The first test in the series is called "visual evoked responses". Wearing three electrodes on the scalp, a patient is seated about a yard away from a television screen, focusing on the midpoint of a reversing checkerboard pattern. One eye is tested at a time with a patch over the other eye. This test takes about 30 minutes.

Since one hallmark sign of multiple sclerosis is visual difficulties, the examination is a particularly important diagnostic tool, and is "highly accurate and effective even when the disease is in remission," Dr. Vishnubhakat commented. The visual tests also provide important information from non-verbal patients of any age, and can further be used to prescribe proper new eyeglasses, to detect tumors of the eye and optic nerve, and to predict visual function following certain types of surgery.

The causes of many hearing problems can be found by tracing the acoustic nerve pathways that affect our ability to preceive sound. In this test the patient lies down in a semi-darkened room, wearing earphones and three scalp electrodes. Once the patient's basic hearing level is determined, louder clicking stimulates the auditory evoked responses that are measured by the computer. Total testing time is about 45 minutes.

While any nerve near the surface of the body can be stimulated, the neurologist stimulates electrically the median nerve in the wrist, causing the hand muscles to twitch. In this "somatosensory" test, the patient has five recoding electrodes placed along the arm, collarbone and neck. This test, again in a darkened room with the patient resting, lasts about one hour.

Based on his experience with nearly 600 patients at North Shore, Dr. Vishnubhakat thinks these tests have an exciting future for neurological and neuophsiological specialists.

Evoked potential tests are now used also to help determine "brain death" in legal cases.●

UNITED NATIONS FINANCES: BELT-TIGHTENING AND BENEFITS TO THE UNITED STATES

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. BONKER. Mr. Speaker, the two articles I wish to submit for the record, one from the Christian Science Monitor and one from the Tucson Daily Star, concern a topic of continuing controversy: U.N. finances. These articles clearly point out that not only is the United Nations closely scrutinizing its budget but that the U.S. profits economically from its contributions to the United Nations.

The world organization's budget for the 1982-83 biennium, based on zero growth, does not provide for the creation of any new programs or any new positions. In fact, the $1.5 billion budgeted for this 2-year period represents only 13 percent of the nearly $11 billion requested by the administration for the single 1982 fiscal year in U.S. foreign aid.

The article by Louis Wiznitzer of the Christian Science Monitor notes that while the United States continues to be the United Nations' largest donor in dollar terms, we rank behind such countries as Qatar, Denmark, and Mongolia in per capita contributions. Each citizen in Qatar, for example, yearly pays $33.50 to the United Nations; every American contributes $2.66 yearly.

Pat Orvis writes in the Tucson Daily Star of March 3, that 41 percent of the U.N.'s budget is spent here in the United States, and much of the U.N.'s money is kept in American banks. Two organizations affiliated with the United Nations, UNICEF and the U.N. development program, annually spend more on the purchase of American goods and services than the amount we contribute to them.

Mr. Speaker, it is my hope that these articles will be useful to my distinguished colleagues in addressing matters related to U.N. finances.

The articles follow:

WALDHEIM TIGHTENS U.N. BELT WITH NEW BUDGET FOR 1982-83

(By Louis Wimitzer)

UNITED NATIONS, N.Y.-The United Nations is tightening its belt.

UN Secretary-General Kurt Waldheim has made an all-out effort to use its money more wisely.

The new and dramatic budgetary restraints have been distributed evenly throughout the organization and all UN departments have been asked to make sacrifices. Mr. Waldheim's efforts to keep UN expenditures down reflect his concern over the UN's financial credibility.

At the same time, Mr. Waldheim has been careful not to diminish the humane role that the United Nations is playing in the developing nations—often in the most crucial areas of food, shelter, education, and health of people simply struggling to survive.

For 1982-83 he has approved an overall budget of $1.5 billion, a 14.9 percent hike in relation to the $1.3 billion budget for 1980-81. This increase, however, is related only to the built-in inflationary costs. Not a single new program has been added, not a single new post has been created.

The 1982-83 budget is based on zero growth. The previous budget for 1980-81 still projected a modest 0.8 percent growth.

A dozen states contribute almost 90 percent of the UN budget and for this reason they are worried about the UN's budget performance. Last fall, nine major donor countries in the General Assembly voted against a small supplementary budget for 1980-81.

At the same time, however, many third-world countries are clamoring for new and increased programs, particularly in the social and economic fields.

"This is, after all, what the UN is all about," they say. Keeping expenditures down is made the more difficult since the UN is a large international organization. Eighty percent of its costs are related to staff and subject to inflation. Salary adjustments in many countries are laid down by law. In many instances UN spending is also subject to currency fluctuations.

The Secretary General cannot reduce programs that have been approved by the General Assembly. The UN is not a corporation, and has no return on its investments. Forty percent of its expenses are in non-dollar currencies and immediately affected by inflation.

The United States remains, in absolute figures, the major contributor to UN funds. But in per capita efforts, the United States ranks only 17th with every American contributing $2.66 each year.

Qatar ranks first with a yearly $33.50 per capita contribution. Norway, Sweden, and Denmark rank second, third, and fourth in per capita efforts. Every Norwegian spends $27.27, every Swede $23.40, every Dane $19.65 per year for the UN.

HAVING THE UNITED NATIONS ON U.S. SOIL IS A CAPITAL IDEA

(By Pat Orvis)

UNITED NATIONS.—Globe-watchers here often say these days that Washington either does not understand how U.S. foreign aid works in the global picture, or "just doesn't care" about two-thirds of humanity.

Either way they assert, slashing economic assistance to Third World countries while increasing defense spending here and abroad, as President Reagan has proposed, would mean losses rather than gains to the United States on both fronts: profit and national security.

It is widely known that the United States makes more money from the United Nations than it lays out in contributions.

And any Third World leader will point out—as El Salvador's President Jose Napoleon Duarte did to President Reagan just last week—that his best defense against the Russians is a well-fed, contented populace.

On the economic side of the foreign aid argument, the United States has, indeed, long paid 25 percent—$143 million in 1979, for example—of the United Nation's regular budget.

But 41 percent of that budget is spent by the United Nations, in turn, right here in New York, and much of the U.N.'s money is kept in American banks.

Indeed, on the basis of national income (from which each of the 154 member-countries' assessment is calculated), the United States should pay 30 percent of the U.N. budget. The General Assembly, however, has set 25 percent as the top contribution required from any one country—a level so far affecting only the United States.

Details of U.N. funding are spelled out in a little blue book, "Image & Reality," available on request from the U.N. department of public information. In addition to its assessed sum, explains the booklet, each country gives additional contributions, some fixed and others voluntary, to individual U.N. organizations. And here again, the United States consistently turns a profit.

In 1979, for example, the U.S. Government gave $126 million in voluntary contributions to the United Nations Development Program, according to UNDP spokesmen, but the UNDP spent $135 million on American experts, equipment and technology, and on administrative costs as its headquarters here.

The UNDP is the largest U.N. body, and its primary function is to provide technical experts and assistance to do pre-investment feasibility studies for proposed development programs. It is generally understood that when American consultants do the feasibility study, the project proposal they write will lead to contracts for American firms. The United States ranks first at UNDP among all participating nations as a source of equipment, contract services and fellowship placements, according to spokesmen, and is second as a provider of experts.

Programs found feasible by the UNDP are carried out by one or more of several "executing" agencies, such as the United Nations Children's Fund (UNICEF). In 1979, Washington gave $34 million to UNICEF, which also has its headquarters in New York and spent $40 million in this country that year, more than half on supplies for child welfare programs in developing countries. These supplies include such things as vaccines, nutritional supplements and educational materials.

Though it is one of the smallest specialized agencies, UNICEF is thought to be among the most efficient and effective, for it brings basic services such as primary education and clean water to the grassroots level in more than 100 countries and has won the Nobel Peace Prize for its work.

As with other U.N. bodies, the United States has long been UNICEF's largest single contributor. In 1980, however, tiny Sweden pulled head with a pledge of $35 million, compared to this country's $34.6 million. With only 8 million people (compared to 222 million here), Sweden now gives $4.23 per citizen to UNICEF, compared to 15 cents per U.S. inhabitant.

In 1978, the most recent year for which complete figures are available, the United States gave an impressive total of $590.9 million in fixed and voluntary contributions to all U.N. bodies, followed by West Germany with $227.3 million and Sweden with $204.2 million.

Yet the United States ranks only 17th in per-citizen donations at $2.66, and rates just 66th when contributions are figured as percentages of gross national products.

The little oil-producing—but still developing—Arab state of Qatar was first in per-capita contributions, at $33.50. The Maldives—an island country in the Indian Ocean and one of the smallest and poorest countries on earth—was first by percentage of GNP, at .72 percent.

The U.N.-affiliated World Bank, described along with the United Nations as "low priority" items in President Reagan's proposed budget cuts, is considered by Third World countries to be entirely a U.S.-dominated western institution. Based in Washington, the World Bank was created at the end of World War II to help rebuild war-torn Europe, and the United States played the dominant role at its founding, during a meeting of 44 nations at Bretten Woods, N.H., in 1944.

After the Marshall Plan came into effect, the bank turned its attentions to developing countries, but it is still controlled by, and gets most of its capital from, the industrialized nations. Its interest rates are slightly higher than commercial market rates, because it borrows from private capital markets and then lends to developing countries for projects that have development potential but would be considered poor risks by commercial banks.

Its lending, however, is limited to projects that will be able to repay loan and interest charges, and the loan money is controlled right down to the purchase of goods and services at the project level. According to figures from 1978, procurements in the United States financed by the World Bank between 1946 and 1976 totaled $5 billion. In addition to these direct procurements during the same 30-year period the bank spent $800 million on operations in this country, compared with $781 million paid into the bank by the United States during that time.

It is through a specialized World Bank affiliate, the International Development Association, that the world's poorest nations get some of their basic aid. The IDA makes loans on very easy terms with long repayment periods to nations which probably could not get any other loans. This agency would be hardest-hit by major U.S. aid cutbacks. A compromise decision between Reagan budget-cutting chief David Stockman and Secretary of State Alexander Haig has at least temporarily delayed any immediate major cutback for the IDA * * *.●

TAX RETURN STATEMENT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. DOWNEY. Mr. Speaker, I would like to publish my tax return statement for 1980. I believe that public officials have an obligation to make a full disclosure in order to have on the public record the sources of all taxes paid so that no question as to self-enrichment or conflict of interest can ever arise.

Salary—U.S. House of Representatives	$60,663
Interest income	39
State and local income tax refunds	811
Capital gain—sale of personal automobile	2,611
Rental loss	−1,252
Other income—honorariums (net of expenses)	7,900
Total income	70,772
Less: Nonreimbursed employee business expenses	−7,431
Adjusted gross income	63,341
Itemized deductions:	
Medical	150
Taxes	7,267
Interest expense	3,234
Contributions	140
Miscellaneous deductions	753
Total itemized deductions	11,544
Less: Zero bracket amount	−3,400
Excess itemized deductions	8,144
Tax table income	55,197
Less: Personal exemptions	−3,000
1980 taxable income	52,197
Federal income tax	16,442
New York State income tax	5,204
Illinois income tax	24
Indiana income tax	18●

PROJECT ENERGYCARE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. RANGEL. Mr. Speaker, the National Council of Senior Citizens, in conjunction with several other national aging, religious, and labor organizations, has undertaken a nationwide campaign to identify and assist low-income senior citizens gain access to public and private programs that help meet rising energy costs. This Outreach program, called Project EnergyCare, operates through some 85 local sponsors around the country. These groups—community action agencies, senior citizen organizations, church groups, and other community-based organizations have hired Outreach workers and recruited volunteers to go out into communities to find needy older persons and put them in touch with available assistance programs.

Through this project many thousands of older people have been informed of programs, such as low-income energy assistance and weatherization who had not previously been aware of their existence. In my district many senior citizens have been helped through the Outreach services provided by the Salem Methodist Church under the auspices of this program. Nevertheless, there remain today many more thousands of needy Americans who are not being helped by these programs because of the limited resources available.

Recently, Dave Stockman testified that he felt the low-income energy assistance program was quite adequate to meet the needs of low-income Americans; that with better targeting of limited dollars all who are truly in need of aid would be served.

I insert into the RECORD excerpts from some of the letters sent by older Americans to Project EnergyCare which I believe provide graphic evidence refuting Mr. Stockman's statement.

FROM ARIZONA—72-YEAR-OLD MAN

"Having no family to depend on, I find myself desperately in need of financial aid. My monthly income from Social Security is $190. . . . Due to a situation beyond my control, I find myself losing all I have worked so hard for."

FROM ARIZONA

"I am 72 years old and am handicapped from arthritis. I am not on welfare—I do not want or intend to be, but I need help to pay my gas and electric bill. . . . I live on Social Security with a bit of help from friends, like gifts of money at Christmas, birthday, etc. I've lived in Arizona since 1948, and never asked for help before."

FROM ARKANSAS

"I am a widow and have been for 12 years. I am unable to work. . . . I was getting Medicare but they cut me off because I am getting $249 from the Veteran' Administration. They say that is the guideline. . . . I don't see how I can pay next month's gas bill since I have to buy $65 worth of medicine . . . I owe $500 at (the hospital) and $249 at (another hospital). I try to pay $5 or $10 when I can. . . . I also haven't paid my last year's (house) taxes. . . . I am very depressed on what to do. . . . It has been real cold here. . . . Please help me if you can. I am going to lose my home if I don't watch out. . . . Even though I am only one person, I still have to have gas and a home so I won't freeze."

FROM FLORIDA

"I am a senior citizen with an income of $319.64—a widow trying to keep up payments on my house—$98—living alone, no family, and under the doctor's care. I filled out a form and sent it to get help for my electric bill and just because I was two dollars over they would not help me. By the time I pay my insurance, water, and refrigerator, I only have about $20 left to eat on. I can't see how they are talking about having so much money to pay the senior citizens and don't do it. I have never asked for help before. But I sure need it now."

"My husband is on a breathing machine . . . . We have never gotten anything. Our medical bills are terrible. Our monthly bills (rent, electric, phone) are $339.86, which leaves us a balance of $69.54 a month . . . The only thing good out of this is we get some food stamps, but it's so embarrassing. . . ."

FROM MARYLAND

"My disabled brother who is 75 lives in a house with no water and no electric . . . My husband is blind. We are both on a very small Social Security income and there's no way we can help my brother. I have always been so proud of my country, but I'm losing faith. We can always help others in other countries—why not at home? Charity begins at home, I've always heard. I hope I don't find my brother frozen some day. I am very concerned about all of these dear people."

FROM MASSACHUSETTS—68 YEAR-OLD WOMAN

"I've been without oil . . . . I am careful—don't use the oil wastefully. I turn it down at night and wear sweaters. . . . I feel the elderly like me should not have to worry about their heat. . . . I hate the hospital and I'm freezing. Can't something be done? Today and yesterday was cold. Please let me know if you can help. I am on a special diet and it's hard to live and pay bills on my income. . . ."

FROM NEW JERSEY

"I taught 40 years to help purchase our home and educate our child. Now at 78 years of age. I, alone, am very appreciative of this home, but with the unbelievable advance in the cost of heating oil, plus all other advances, I am concerned. Is there funding that can help with our position that the terrible increase in the cost of oil has put us in, as we try to keep our homes? I hoped that writing to Washington, I might receive more understanding."

"I hope you can help me. I'm 80 years old, retired, living on $313 a month, have a trailer home. . . . I can't afford to buy fuel. I have to go over to people's houses to keep warm . . . . I can't live this way. I have to have heat. I'm not asking too much. Please help me."

"I'm an 80 year old man, widowed and trying desperately to live on retirement income, but I find inflation, particularly heating, very expensive. Many times I don't have enough to eat because of the high price of electric heating. . . ."

FROM NEW YORK

"My income is $327.40 a month. I am a widow, age 70, living alone. I keep a record of fuel oil used. I am stating the figures from 1968 and 1980:

1980 used 998 gallons	$1,003.80
1968 used 965 gallons	147.34

The difference in the cost is $856.46 more than it was 12 years ago . . ."

"I am 80 years of age with an income of $276.90 a month. I pay $100 rent and I pay for fuel and electricity. I just can't make ends meet. I am in need of fuel so bad. My church paid one of my bills, but they can't help me any more because there are others in the same predicament that I am in . . . I owe a bill to my oil company for the last shipment they sent me. It is due to be paid and I can't pay it. If I do not pay it, they will not send me any fuel . . . I am very low on fuel. I got the last Feb. 2—only 150 gallons. I owe them $188.60. Please help me if you can."

"Help please. I'm a widow, 75 years of age, living alone on Social Security income only—no other income . . . This past year, up to Feb. 25, I owe my oil company a total of $705.12 plus penalties. I borrowed $100 to pay part of my bill so they will deliver oil as I have arthritis and can't stand it too cold, even though I wear sweaters and extra foot socks. This last statement I got said they will not deliver any oil until my bill was paid. I called and pleaded and sent them a check of $200 dated against my March Social Security check. I did get oil, thank God. I still owe them $405.12 plus penalties. I need assistance—not for luxury. I filled out a HEAP form which was returned and denied as they said I'm getting too much money from Social Security. All I got extra was the increase in July 1980 and the inflation ate it up plus. I called "Senior Citizens Assistance" and they advised me to go on welfare. Well, I don't want welfare. All I ask is some help to pay my oil bill and pull through. During the summertime, when I don't get oil, I can try to get myself up to date and pray if God gives me more added years to live, I can live with dignity."

FROM NORTH DAKOTA

"I am 68 years old, a single female, and my only income is a Social Security check of $151 per month. It just does not cover fuel at $1.14 per gallon, plus electricity at $17.50 per month, plus living expenses. . . ."

FROM OHIO

"My husband passed away in June 1979. I am on disability. I get $315.40 a month. In the cold months, my fuel bill runs $200 or more and I am behind on my fuel bill. I just don't have enough to pay everything. I own my home—if I didn't, I sure couldn't make it. I sure feel sorry for those who do not have a home of their own. . . ."

"I'm writing after hearing Mr. Cagney on the radio say that people on fixed incomes could write to your people in Washington if one perceives a serious problem in meeting one's future energy costs. Well, I'm one of the many. I'm 70 years old, a widow. I own my own home. I'm on Social Security. My monthly check is for $280.50, or a yearly income of $3,474. The price of my heating oil as of this writing is $1.18 a gallon. My oil receipts from the past 15 months show a total of 1,538 gallons of oil ordered from my dealer. With the going rate now, my projected costs will be $2,867.40. As you can see, $2,867.40 from an annual income of $3,474 does not leave much to live on . . . I don't want to give up my home. Twenty-four years of my life have been spent in this home. I realize that there are many more people less fortunate than I, and I pray for them. I don't know the answer and I, like many other Americans of upper years, fear the future."

FROM PENNSYLVANIA

"I'm on SSI. 68° is too cold for me. I burn two baseboard electric heaters to keep warm. I've had three strokes and also have arthritis. When I called to inquire about assistance, I was told that it was being held up for debate as to whether subsidized renters qualify. . . . Those who are debating it are not cold nor do they have to beg. I begged the two heaters from the private sector. Must I also beg the money from them to pay the electric bills? I think we should have been told if we did not qualify. I for one would not have burned the electricity . . ."

FROM TEXAS

"We low-income people sure need some help on utilities, gas, and lights. I hate to see the bill I'll get for February and no help on it. I get $208 Social Security and $50 from SSI . . . I heard the President last night. I get $24 in food stamps—I don't know what my future will be. He said food stamps will be cut. I'm 77 years of age, a widow . . ."

"We have tried to get help on our lights and gas. They told us we were entitled to it, but they have given us the run around about it. Now we are behind on our electric bill and have not been able to get gas for our butane tank. I know the money is up there to help low-income elderly and handicapped. I am not able to work and my wife is not either. I am retired and drawing Social Security and a disabled VA pension and it is not enough to live on and pay our medical bills and buy our gas and heating . . ."

FROM VIRGINIA

"My parents are in great need. I am in no position to help them in any way . . . My father is 76 years old. He has emphysema and angina. His only income is Social Security and SSI. My grandmother lives with my parents. She is 80 years old and is also in bad health . . . Her income is her Social Security and SSI. My mother is 58 years old and cannot hold a public job because of having to take care of my father and grandmother. She is paid $4 per day by the state for taking care of her mother. They do not receive any welfare aid . . . At the beginning of winter, they borrowed money for fuel and to pay off an old fuel bill. Because of paying back that money, they are behind in all their bills and their taxes are past due. As of now, they are three months behind in their house payments, which are a little over $90 a month. Their electric bill is past due and they have received a cut-off notice. In order to catch that up, it would take over $200. They also have water bills and phone bills . . . They received no food stamps and they really don't get the proper diet. I'm afraid they will lose their home or that their electricity will be cut off or both.

"P.S. My grandmother was in the hospital for seven days last month. That will mean a decrease of $28 in my mother's next check."

"I am a widow, 62 years old. My salary is around $67 a week. I work for a senior community employment program. I am not eligible for the Social Services Program—It's a shame, but that's the way it is . . . There are a lot of people in the same fix that I am. We need someone who's really interested in people and serious about informing them of their rights. I have a handicapped man living in my house and he is not being considered either. Please don't refer me to welfare department—they are so messed up. It's terrible . . ."

FROM WISCONSIN

"When my husband was alive, we received over $650 a month and our oil was $600 a year in 1976. Now I receive $357.70 a month, have all the same house bills we had then, but oil for heat last year was close to $1400, even though I do keep the temperature 4° to 10° lower than we did then . . . I'm a disabled widow, 66 years old, living in my own home. Please help!"●

THE PRESIDENT'S BUDGET—WILL IT LICK INFLATION? WILL IT INCREASE PRODUCTIVITY? IS IT FAIR?

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 28, 1981

● Mr. OBEY. Mr. Speaker, the President has proposed a new economic program which would cut spending by $48 billion in the first year, raise annual spending levels for defense over 4 years by 90 percent ($158 billion), cut taxes largely to high-income individuals and businesses by $222 billion a year, phased in over 3 years. What is likely to happen to it?

The only way the President can fail to get most of what he wants is if significant numbers of Republicans themselves decide that his program is unsafe. How can I say that when the Democrats control the House of Representatives? I say that because in philosophical terms the President has effective control of both Houses. He has an absolute majority in the Senate. In the House, while Republicans are 26 votes short of a formal majority, there are between 40 and 50 Democrats who on most occasions vote with Republicans on economic issues. That means that if the President can retain the support of economic conservatives, he will get most of what he wants.

Democrats are in a mood to cooperate. How much support they give to the administration's package in the end will be determined by two factors: First, how fair analysis of the administration's package show it to be to various income groups and regions of the country and, second, how effective it is expected to be in controlling inflation. But, in the end, the President will get $30 to $40 billion of what he is seeking in budget cuts and the biggest part of his tax package unless Republicans begin to worry that it is too inflationary, too optimistic, and too unfair to be politically sustainable.

To understand how the administration is cutting the budget we need to divide it up in the right ways.

President Carter presented a budget for fiscal year 1982 of $740 billion—a $76 billion increase over the previous budget of $663 billion. Let us analyze how he allocated resources in that budget and how President Reagan changed that allocation:

DEFENSE

The current year's defense budget is $161 billion. It was up $25 billion from the previous year and represented the biggest peacetime increase in defense spending in history. President Carter raised that to $184 billion for the coming year, a 14 percent increase. President Reagan increased that by another $10 billion. That $10 billion represents a small down payment on additional items that will cost many times that amount in future years. Under the President's recommendations, defense spending will double in 5 years.

RETIREMENT PROGRAMS

President Carter's budget for elderly and retirement programs was $195 billion. That is up by $28 billion from last year's budget and more than $50 billion from the year before that. President Reagan cut that by about $3 billion and made no basic changes in major entitlement programs, although they have been among the fastest growing items in the budget.

INTEREST

President Carter's budget estimated $90 billion for interest payments on the national debt. That figure is a simple estimate of what Government will have to pay to finance its debt and is directly dependent on interest rates. President Reagan's estimate for interest is about $8 billion lower because he is betting on much lower interest rates, but there is no programmatic change and most economists believe that that is a simple gimmick to reduce the deficit by that amount. In fact, the President is financing much of his tax cut through increased Federal borrowing. That will mean more debt for the Government to pay interest on and more pressure on money markets, which leads to high interest rates. That is why both the House and the Republican-controlled Senate Budget Committees believe interest payments under the Reagan budget will be higher, not lower, than President Carter's estimates.

So to sum up so far: Defense next year is expected to be about between $192 to $195 billion. Retirement programs are expected to cost the same. Interest will probably cost between $90 to $95 billion. These three portions of the budget, therefore, total roughly $470 to $480 billion. That is about 62 percent of the budget. It represents almost 80 percent of the dollar growth in the Carter budget from this year to the next. And spending in this portion of the budget will be higher under Reagan than it was under Carter.

NONELDERLY POOR

Then we get to the portion of the budget which most dramatically separates the two political parties.

Most people I know believe that if we simply get rid of waste, fraud, and abuse in welfare programs we will balance the budget. The problem is that that just is not so.

The total amount in the budget for direct Federal support for the nonelderly poor is about $40 billion—about 6 percent of the budget. That is primarily for six programs: Medicaid, SSI, AFDC, low-income housing, food stamps, and child nutrition. More than 1.3 of that amount is for the blind and disabled which, unless you are going to gouge them, leaves us with a base of about $22 to $25 billion.

If you take the President's definition of what constitutes waste, fraud, excess, and abuse, you could cut $5 to $6 billion and that is what he does. That means there is about a 25 percent reduction in direct Federal assistance to the nonelderly poor despite the administration's claim that a safety net was being provided for the truly needy.

This year we will go after the double-dipping third graders, for instance, who are seen to be ripping off the Government for a dime a day because some of them are receiving food stamps while they are also receiving extra subsidies for their school milk and school lunch.

It is also in this portion of the budget that we will eliminate Treasury Secretary Regan's problems. The Secretary asserted recently that one of the main reasons he wanted to slash the food stamp program is because students were ripping the program off for beer and booze purchases.

Just a few reminders to put the Secretary's allegations in perspective. The Congress in the last 2 years has eliminated 1½ million people from food stamps. There are only 47,000 students remaining on food stamps and in the main they are students under 18, over 60, or supporting dependents. Students make up only two-tenths of 1 percent of the present food stamp caseload and they are not eligible to legally use food stamps for beer or booze purchases.

Any sane public official wants waste and fraud in this or any other program to be eliminated. That is why the Congress added new penalties for food stamp law violations last year, and why we provided significant financial incentives for States who administer the program to tighten up their administrative practices.

Keep in mind in evaluation, this program and the administration's suggestion for transferring additional authority to State governments that this program is administered not by the Federal Government but by the State government and its local agents. Keep in mind also that of the total amount estimated by HEW's Inspector General over 50 percent of that amount occurred in programs which were administered by the States, not Uncle Sam.

But those issues aside, if we tear a 25-percent hole in the safety net that the administration suggests that it has provided for the nonelderly poor who are not disabled or blind, that leaves us with $34 billion, less than 6 percent of the budget.

Two other programs should be mentioned at this point: veterans and unemployment compensation; $5 billion of the $25 billion a year we spend on veterans has already been counted under programs for the elderly. The remaining $20 billion is very difficult to cut substantially. The President proposed less than $1 billion in cuts but only 3 of 12 Republicans on the House Budget Committee supported him when that proposal came to a vote.

The controlling factor on unemployment compensation is the performance of the economy. The President has recommended some far-reaching changes in the system which would save a little over $1 billion a year out of a program he expects to cost $22 billion next year. If unemployment is only 1 percent higher than expected, however, unemployment payments will swell by more than $5 billion above the request.

So, recapitulating, we have covered seven areas of the budget: Defense, elderly, interest on the debt, payments to nonelderly poor, veterans, and unemployment compensation. Altogether President Carter asked to spend a little over $550 billion in these seven areas which made up three-quarters of his entire budget. The Reagan budget comes in about the same or a little higher for these seven areas than does President Carter if you accept the reestimates of either the House or Senate Budget Committees on the actual cost of the Reagan proposals.

This has been where the real growth in the Federal budget has been, in the last year, in the last several years, in the last decade. Budget growth has not come from the creation of new programs but rather because we spend so much more on this same set of programs.

In 1970 we spent $29 billion on social security; under either Carter or Reagan we would spend almost $160 billion, a 450-percent increase.

During the Vietnam war we were spending $78 billion a year on defense—$116 billion less than the President is requesting for next year.

Medicare and medicaid cost us $11 billion in 1970; both Reagan and Carter ask for about $60 billion.

These programs are very important to our day-to-day life in ways many of us never stop to think about. They secure us from foreign enemies; they secure minimal necessities in our old age or in the event we might become disabled; they secure medical care in the event of catastrophic illness; and they secure us from economic disaster in the event we might be laid off or if we have a business located in an area suffering temporary economic problems. But there is one thing that these programs do not do. They make no direct investment in the economic future of the country. That is what the other 25 percent of President Carter's budget was about. And that is where the Reagan administration concentrates its cuts.

INVESTMENT PROGRAMS

President Carter asked for about $187 billion for programs outside the seven areas we have already covered—25 percent of his total budget. This $187 billion covers a myriad of areas from research on the nature and composition of the ocean floor to highway construction. They include programs you never heard of and programs you encounter every day. They are there because someone convinced the President and the Congress that they represented a worthwhile investment in the Nation's economic future. We can legitimately debate whether they are good investments or bad investments. I happen to think a number of them are poor or marginal investments. But nonetheless, this is the part of the budget which is made up of items which fit someone's definitions of a good investment. And this is where 75 percent of the Reagan cuts are concentrated. The President is asking that we reduce this $187 billion investment package by about $31 billion.

Anybody with an ounce of sense knows that most investment decisions in an economy like ours are best left to the private sector; but there are certain investments which the private sector simply will not make on their own. The private sector, for instance, will not build highways that the country's economy requires. Most corporations will invest significant sums in items which have a short-term profit payoff, but I do not know of many corporate managers who can go before their annual stockholders meeting and say "Gee boys and girls, I want this targeted $200 million research item in the budget this year and it will not pay off in the short run but 20 or 25 years from now I think it will do great things for us." Those stockholders will not be interested in 20 or 25 years from now. They want a return on their investment now.

So without Government involvement, long-term research and development, whether in science or in health care or in energy simply will not be made. Yet the particular pattern of budget cuts is forcing most of them to come out of the investment portion of the budget.

It is here that we find the programs to expand the physical plants and equipment base of the country and programs to develop the economic base of the country. It is here that we find the $3 billion for the strategic petroleum research. It is here that we find the $9 billion for highway construction and modernization, the $4½ billion for water projects, the $2½ billion for the Export-Import Bank. It is here that we find the money for the Economic Development Administration and the UDAG grants to encourage rejuvenation of our downtown areas. It is here that we find the investments in the technological future of the country—basic science research, medical research, and the like.

It is also here that we find investments in the form of grants for college students, job training funds, student loan funds, and the like.

HUMAN CAPITAL AND PRODUCTIVITY

At a time when we are so dedicated to improving the productivity of our plants and our machinery, would it not be nice if we paid as much attention to increasing the productivity of human beings who will be working in those plants and running those machines. Americans spend less per worker on job training than any other Western society. I suspect that that has as much to do with the declining productivity lead America has over its European competitors as does the shrinking portion of our resources which have gone into plant and equipment for the past 20 years.

In talking about the need to stimulate productivity, is it not about time we quit using a tunnel vision definition of capital investment? True, capital investment represents resources we put in machinery and buildings; but we also make a capital investment when we educate a child, retrain a working mother or train a new worker.

There is no question that at a time when the Nation is demanding fiscal austerity significant reductions can be made in the budget. But some of these budget cuts steal from the future and many of them are not cuts at all but are merely a transfer of burdens to the property tax. And they fall in such a way that they most hurt the part of the country in most serious trouble, the Northeast and upper Midwest. Coupled with the energy decisions and the tax cuts proposed by the administration, they will drain the Northeast and upper Midwest of more than $300 billion in the next 5 years.

REAGAN TAX CUTS AND INFLATION

And because of the nature and timing of those tax cuts, they run the risk of rampant inflation and prolonged gargantuan deficits. Let us examine the tax side of the administration's package for just a moment.

The tax cuts come in two parts. One is a series of recommendations to accelerate depreciation in order to stimulate plant and equipment modernization. The second is a 30-percent Kemp-Roth across-the-board tax cut on individual taxpayers—tax cuts which will go in large measure to high income taxpayers. Let us examine each of those tax provisions.

The administration says that large Kemp-Roth type tax cuts on high-income individuals will not be inflationary because upwards of 50 percent of those tax cuts will be saved rather than be spent and those savings will then be available for investment. The problem with that is that in modern times there has not been a tax cut of more than 20 to 25 percent. And within a year or so the portion of that tax cut which went into savings has been far less than 10 percent. That means that the Kemp-Roth 30-percent tax cut carries a substantial inflation risk. It will pour $200 billion in tax cuts into the economy on top of additional defense spending over the next 5 years of $191 billion.

The Budget Committee has been warned that if we pass that program without change, the 4-year cumulative deficit for President Reagan will be much larger than they were for President Carter and that the projected deficit for 1984 could be as high as $68 billion. Those deficits do not seem to bother the supply side zealot advisers of the President who seem to suggest that deficits which result from lower revenues will not be inflationary over the long haul. The trouble is that Mr. Volcker at the Federal Reserve does not believe that. So we will see a long string of decisions by the Fed to keep interest rates high. That will continue to choke off the housing and auto industries. It will artificially inflate the cost of doing business for virtually everyone in America.

REAGAN LEAVES SOME BUSINESSES OUT

The business tax cuts recommended by the administration constitute an endorsement of a modified version of the 10–5–3 proposal which will provide a 10-year writeoff for the construction of buildings used by their owners (15-year writeoff for nonresidential leased buildings; and 18-year writeoff for residential rental structures), a 5-year writeoff for business equipment and machinery, and a 3-year writeoff for automobiles and light trucks. But that proposal provides little help for high technology industries which have the greatest potential for job growth and the greatest ability to help us compete internationally. And you can be sure those sectors will come under increasing pressure from other competitors such as the Japanese who are starting to do to us in those fields what they were doing to us in autos 10 years ago.

It also does not provide much help to the sector of our economy in the most trouble, the heavy industry sector, such as steel. Analysis shows that of the $4 billion annual investment gap in the steel industry—a gap which must be closed if that industry is to modernize and remain competitive—almost none of it will be closed by the kind of relief provided in the administration's plan.

UNFAIR REGIONAL IMPACT

And the regional affect of the business tax cuts if they are not changed will be devastating to the upper Midwest and Northeast. The combined effect of the administration's energy decisions, budget cuts and tax policies was summed up in a chilling way recently by Felix Rohatyn. Here's what he said:

From 1980 to 1990, decontrol of oil and gas prices will generate about $120 billion of revenues to the energy-producing regions of this country. This is a tax which will be paid by the consuming regions of the Northeast and the Midwest in the form of royalties and severance taxes. At the same time, a program of heavy tax cuts intended to shore up the "supply side" of the economy is bound to accelerate the trend of manufacturing businesses away from the northern part of the country. The Federal budget cutbacks that will have a heavy impact in the Northeast and Midwest will be more than made up in the Sun Belt by increases in revenues resulting from energy pricing as well as sharp increases in defense spending. With these revenues local taxes in the Sun Belt states can be reduced, services maintained, all kinds of incentives provided for industry. The drain of businesses away from the Northeast and the Midwest will obviously increase, with the inevitable deterioration of the regional tax base.

We will then be faced with a situation in which one city after another in the north of the country will be less and less able to support a larger and larger proportion of its population in need of public assistance. The industries which formerly provided employment and support will continue to decline. Many of those taxpayers who are able to leave will migrate to the Sun Belt, leaving behind a growing mass of unemployed or unemployable people unable to move or too afraid to try. Not even a country as large as ours can maintain its democratic institutions half rich and half poor, especially when the economic trends will make it very apparent that for the "have nots" things will get worse and not better.

In addition to questions of regional survival, there are other serious problems with the President's package.

First, the President has no energy policy. As Felix Rohatyn said recently "decontrol of energy prices is no energy policy." It could be part of one but the only action of the President besides taking the lid off energy prices has been to slash Federal programs for energy research items which we badly need.

To put in perspective what the damage that imported energy does to our economy, let us compare the cost of that imported energy with the size of the Federal budget deficit for the last 8 years.

From 1973 to 1977 the cumulative Federal deficit amounted to $140 billion. The cost of imported fossil fuel to our economy was $95 billion.

From 1971 to 1981 the total cumulative Federal deficit was $149 billion. The cost of imported fossil fuel was $225 billion.

If Federal deficits rob us of the ability to invest in our future, does this huge drain of dollars out of the country not also rob us of investment dollars for future productive enterprises?

Second, the administration's tax cut plan is so unfair that the American public will not swallow it. Under the administration's plan, a family making $100,000 a year will get a tax cut 23 times greater than a family making $10,000 a year, even though his income is only 10 times greater. Let us analyze what kind of resource transfer the administration's package really provides.

While the administration talks about a safety net for the poor, it proposed to use cuts in programs for the poor to finance significant tax cuts for the rich.

House Majority Leader JIM WRIGHT has given us some dramatic examples:

First, the President will cut off unemployment benefits to those out of work more than 3 months unless they take jobs far below the level of their job skills and employment history, but it would provide a $52,000 a year tax cut to a family of 4 earning $200,000 a year in property income.

Second, it would slash by one-third to one-half the funds going to poor mothers and their unborn or very young children to provide them with adequate nutrition during this critical period of human development. At the same time it would give over $8 billion in tax reductions to families earning between $80,000 and $100,000.

Third, it would eliminate 400,000 poor families from food stamp benefits while giving 546,000 affluent families tax reductions averaging $27,000 apiece. Those losing food stamps would be the working poor and the elderly living on Social Security. Those receiving the high tax reductions would be families earning $100,000 a year.

The administration's package is apparently based on the assumption that there has been a tremendous transfer of resources in this Nation from the rich to the poor in the last 40 years, but the fact is that 40 years ago families in the lowest 20 percent income bracket were receiving precisely the same share as they were then.

THE REAL DEBT PICTURE

The administration's budget cuts are based on the assumption that Federal debt has grown so fast that it has squeezed out everyone else's ability to borrow. But the fact is that the Federal debt has increased three times since 1950. During that same period, consumer installment debt has increased 14 times, corporate debt has increased 13 times, State and local debt 14 times and mortgage debt 16 times. Our Federal debt as a percentage of GNP or the overall size of the economy has declined from 58 percent in 1960 to 33 percent this year.

So what needs doing? Do all of these facts mean that we should throw out the administration's program and start over? Of course not. We do need to trim items out of the budget which have outlived their usefulness or which have simply not worked the way we had intended. We do need to aggressively reduce waste, fraud, and abuse and this administration has the administrative tools to try.

But we do not have to steal from the future. We should not concentrate those budget cuts to the degree the administration has in the investment portion of the Federal budget while leaving other portions relatively untouched.

It makes no sense to cut investment programs by 16 percent when we are barely laying a glove on entitlement programs. It makes no sense to focus our attention on direct budget subsidies when we ignore other subsidies provided through the Tax Code which are in many instances much larger and much more economically indefensible in a debate of sensible targeting of scarce resources. We do need business tax cuts to stimulate productivity but we should change those cuts so that they impact more fairly on all regions of the country and are better targeted to the sectors of our economy that most need it and represent the greatest opportunity for job growth. Individual tax cuts could be provided as well, but to avoid the risk of generating new inflation they should not be nearly as large as the administration is suggesting and they should be distributed among income groups in a much fairer manner. So should budget cuts.

THE TRULY NEEDY

Would a fair and disciplined budget provide a 70-percent subsidy for corporate jet owners while the average citizen who purchases his plane ticket has to pay the lion's share of his own travel expenses? Would a fair and disciplined budget allow water projects built with Federal money to charge 0 percent interest rates to growers and other users while the REA's are asked to pay 8½ percent interest rates? Would a fair and disciplined budget allow 15,000 military officers to receive more in take-home pay than the Secretary of Defense while we are being asked to cut back on disability benefits for veterans and impose additional restrictions on the access of poor people to health care and adequate diet? Would a fair and disciplined budget find it necessary to spend over $100 million on military bands—the Navy alone has 155 of them—while programs to train foreign language specialists are being sharply reduced? Why should we be in a position of having no one at the Voice of America, for instance, who was able to broadcast programs in the language that most Afghani's speak at the time the Russians invaded Afghanistan last year? Would a fair and disciplined budget make no effort at all to reduce the 46 percent subsidy which is provided in the business lunch deduction while we are making hugh reductions in the 43 cent per meal subsidy provided in the food stamp program for the working poor? Would a fair and disciplined budget allow oil companies to avoid taxes on their overseas operations while we are cutting back on the assistance given to senior citizens who cannot pay their fuel bills because they are on a fixed income? Would a fair and disciplined budget reduce dairy price support programs and gut target prices for feed grains but leave the tobacco support program relatively untouched?

The question is not whether to go down the road to economic reform. The question is how we make that reform fair enough, comprehensive enough, and disciplined enough so that we may all go down that road together. If we are going to seriously attack inflation, we need a much broader attack on all of its causes. We cannot successfully attack inflation with a selective and narrow effort which ignores many of the structural weaknesses that have crept into the economy over the last 20 years. If the only thing we do is cut the budget and cut taxes those structural weaknesses will still be with us. If we do not deal with these problems and if we do not deal with some of the decisionmaking weaknesses in the private sector as well, we will be where we are today 4 years from now. No one wants that, but that is the subject of a whole different speech.●