EXTENSIONS OF REMARKS

TARGETED DEVELOPMENT AID AMENDMENT

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. SIMON. Mr. Speaker, today, on behalf of myself and my colleagues, Representatives, GILMAN, JIM COYNE, ERDAHL, HALL, and STATON, I am introducing the targeted development aid amendment.

This language would require that 50 percent of all money appropriated under the Foreign Assistance Act would have to be spent on goods and services which directly benefit those in developing countries living in absolute poverty. This policy represents a direction in our foreign aid programs that many of us support. In fact, the language from the targeted development aid amendment comes directly from a provision in H.R. 4588, the Hunger Prevention and African Food Security Act sponsored by Mr. GILMAN. That bill has over 100 cosponsors, from both sides of the aisle, and includes 17 members of the Foreign Affairs Committee. While we do not have a legislative vehicle yet for this targeted development aid amendment, it is of such importance to the future of our foreign aid programs that we put it before the House for your consideration and comment.

Mr. Speaker, from all accounts we are seriously deficient in targeting our foreign aid programs on those who are really poor and could benefit greatly from economic assistance. The concerns that those of us supporting this language have are well expressed in testimony presented yesterday by Dr. Ernest Loevinsohn, on behalf of Bread for the World, an organization long involved in the fight to eliminate world hunger. I am submitting a copy of Dr. Loevinsohn's testimony as well as the language of the proposed targeted development aid amendment for your consideration.

TARGETED DEVELOPMENT AID AMENDMENT

In carrying out chapter 1 of part 1 of the Foreign Assistance Act of 1961 the President—

(1) in fiscal year 1983 shall attempt to use not less than 40 per cent of the funds made available to carry out this chapter, and

(2) in fiscal year 1984 and each fiscal year thereafter, shall use not less than 50 per cent of the funds made available to carry out this chapter,

to finance productive facilities, goods and services which will expeditiously and directly benefit those living in absolute poverty as determined under the standards for absolute poverty adopted by the International Bank for Reconstruction and Development and the International Development Association. Such facilities, goods and services may include, for example, irrigation facilities, extension services, and credit for small farmers, roads, safe drinking water supplies, and health services. Such facilities, foods and services shall not include studies, reports, technical advice, consulting services shall not include studies, reports, technical advice, consulting services or any other items unless (1) they are used primarily by those living in absolute poverty themselves, or (2) they constitute research which produces or aims to produce techniques, seeds, or other items to be primarily used by those living in absolute poverty.

Research shall not constitute the major part of such facilities, goods and services.

PREPARED STATEMENT OF DR. ERNEST LOEVINSOHN, ISSUE ANALYST, BREAD FOR THE WORLD, BEFORE THE COMMITTEE ON FOREIGN AFFAIRS, AUGUST 17, 1982

Mr. Chairman, I am glad to appear before this distinguished committee today to discuss the impact of United States development aid on the poorest people. I will be presenting Bread for the World's views on this topic, with particular reference to legislation now before Congress.

As you may know, Bread for the World is a Christian citizens' movement which seeks to alleviate hunger by influencing public policy. We have members in every Congressional District, with a total of about 41,000 members nation-wide.

Mr. Chairman our research indicates that in the great majority of cases the people who receive goods and services financed by U.S. bilateral development aid are not the poor. Bread for the World studied the project budgets of 40 randomly selected[1] projects from among the 422 A.I.D. development aid projects begun in fiscal 1980 and fiscal 1981. In this sample under 25 percent of A.I.D. expenditures went to finance goods and services used primarily by the poor. Poor persons were defined as those who would be classified as absolutely or relatively poor by World Bank standards. A.I.D. relies heavily on a top-down strategy, claiming that goods and services supplied to the non-poor will result in benefits for the poor.

[1] Projects were selected randomly within each fiscal year, except that projects for which project papers were not on file were excluded from the sample.

The top-down approach has two main variants which could be called the orthodox trickle-down approach and the bureaucratic trickle-down approach. I would like to briefly examine each of these and contrast them with a third approach, namely the direct approach to benefiting the poor.

THE ORTHODOX TRICKLE-DOWN APPROACH

Under the orthodox trickle-down approach development aid is used to promote overall economic growth. It is often acknowledged that the factories and highways built with development aid funds will not benefit the poor directly, but it is claimed that the benefits of the economic growth produced by these projects will trickle down to the poor, thus reducing the extent of deprivation.

The orthodox trickle-down approach was heavily discredited by the early 1970's. In 1973 as you know Congress passed the New Directions aid reforms which turned U.S. development aid away from the orthodox trickle-down approach. However, the current A.I.D. leadership is reviving this approach.

For example in the fiscal 1983 program and budget guidance cable to A.I.D. missions A.I.D. Administrator McPherson set out his ten main priorities. Delivering aid to the poor was not mentioned; instead McPherson stressed the importance of overall economic growth.

The priorities set out by McPherson are being translated into project funding decision. Many new projects are being approved which seek to produce general economic growth, rather than attempting to channel benefits to the poor. Examples include the $8 million program to assist private businesses in Africa (A.I.D. project 698-0438) and the $5 million program to promote hydroelectric projects in Central America (project number 596-0106).

A few years ago attacking the orthodox trickle-down strategy would have been flogging a dead horse. However in view of corrent A.I.D. policies it is worthwhile to ask "How effective was the orthodox trickle-down approach in benefiting the poor?"

The track record of this approach in providing benefits to the poor is not a good one. Some trickling down of the benefits of economic growth did occur, but often the poor benefited so little that the extent of deprivation was not reduced. For example in Latin America the number of people receiving less than 80 percent of the required calories increased by 25 percent between the mid 196)'s and the early 1970's despite high rates of economic growth. As one looks at economic growth success stories one sees that in many cases the poor were left out. In the Ivory Coast for example economic growth averaged about 8 percent per annum through the 1950's and 1960's. Despite this spectacular record and despite some trickling down of benefits extreme deprivation remained widespread. Even today average life expectancy in the Ivory Coast is several years less than in much poorer countries such as Tanzania which have paid more attention to the basic needs of their citizens.

It is not just that the orthodox trickle-down strategy happens to have a bad record. Even when it succeeds in producing across-the-board growth it is an inherently inefficient method of benefiting the poor. The reason is that in across-the-board economic growth, that is, growth where each household's income rises by the same percentage, the great majority of the benefits will go to the relatively prosperous. This is because the poorest 60 percent of households in developing countries generally have less than one-third of total household income. Therefore if every household's income rises by the same proportion less than one-third of the extra income will go to the bottom 60 percent of households. More than half of the extra income would typically go to the top 20 percent of households. Thus across-the-board economic

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

growth tends to benefit the elite much more than the poor majority.

The only way to benefit the poor majority more than the elite is to achieve targeted economic growth, growth such that the income of poor households rises by a substantially higher percentage than the income of more affluent households. But the orthodox trickle-down strategy has no mechanism for achieving this targeted growth. On the contrary, it tends to increase the income of the better-off households (the direct beneficiaries of trickle-down aid) at a higher rate than the income of poorer households.

In sum, the pay-off from aid investments directed by the orthodox trickle-down strategy will mainly be in the form of benefits to the relatively prosperous. At best, the poor majority will get a fraction of the benefits.

In view of the demonstrated ineffectiveness of the orthodox trickle-down approach in producing benefits for the poor it is distressing to see A.I.D. giving new emphasis to this approach.

THE BUREAUCRATIC TRICKLE-DOWN APPROACH

Although the orthodox trickle-down approach has been gaining ground, it is not as prevalent in A.I.D.'s project portfolio as the bureaucratic trickle-down approach. Under this approach aid is provided to government agencies, with the claim that the ultimate beneficiaries will be the poor. Training for government officials and consulting services for government bodies, usually at a cost to A.I.D. of $500 or more per consultant per day, are common forms of assistance to bureaucracies.

In some cases the bureaucratic trickle-down approach is an appropriate way to benefit the poor. In general however this approach faces serious problems. A major difficulty is that the government bodies to which A.I.D. is providing assistance are not generally oriented toward benefiting the poor. It is therefore unlikely that strengthening these government bodies will yield substantial benefits for impoverished people.

For examaple A.I.D. is planning to spend $5 million to provide studies, training and analyses for government officials in Haiti. But since the government of Haiti has long demonstrated neglect for the welfare of its poor citizens it is improbable that the U.S. assistance will end up providing substantial benefits for impoverished people in Haiti.

This problem is not confined to governments such as that of Haiti. Even governments such as that of Tanzania, noted for its commitment to equity in economic development, have developed bureaucratic elites whose interest in providing benefits to the poor is limited. For example A.I.D. has been assisting the authorities in Mbulu district in the Arusha region of Tanzania in drawing up a "twenty year plan". Now it might be thought that in bureaucracy-bound Tanzania there is no pressing need for another long-range plan. But, even aside from that, the priorities chosen by the Mbulu district government in drawing up the plan (e.g. electrification of Mbulu town and of the government buildings) are not oriented to the alleviation of poverty. It is therefore unlikely that A.I.D.'s assistance in helping to draw up the plan will yield any significant benefits for poor people in the district.

Another problem with the bureaucratic trickle-down approach is that the aid provided is often very remotely related to the goal of benefiting the poor. For example A.I.D. is planning to spend $9.3 million in Indonesia to improve English language instruction, mainly in government teacher-training institutions. It is very difficult to imagine that this is the most effective way to reduce poverty in Indonesia.

THE DIRECT APPROACH TO AIDING THE POOR

The top-down strategies which have been discussed can be contrasted with a direct approach to benefiting the poor. Under the direct approach aid funds are used to finance goods and services to be primarily used by the poor themselves. These might include health and family planning services, irrigation facilities, appropriate technology, safe drinking water supplies, and credit for small farmers.

The direct approach should include aid to the very poorest groups, such as landless laborers and squatters. It is true that it may be difficult to reach these groups with some sorts of projects. Electrification projects for instance will obviously tend to bypass those who cannot affort electrical appliances. But human development activities such as health and literacy projects can focus on the poorest of the poor.

A.I.D. does sometimes employ direct approach to benefiting the poor. One interesting example involved the rural water supply program in Kenya.

The Kenyan government's policy in most parts of the country has been to promote individual connections between water supply-pipes and the user's home. The user must pay for this individual connection. Community water taps would be a less expensive alternative. However the government has strictly limited the number of community water taps and often curtailed their hours of operation to encourage people to pay for individual connections.

Because the poor cannot affort the individual connections and because there are not many community taps, poor people have received only limited benefits from the program.

Confronted with this situation A.I.D. did not employ a top-down approach. Instead the agency provided funds through CARE to support self-help water projects. In these projects communities organized themselves and contributed labor and some money to build a water system for themselves. A.I.D. via CARE contributed materials and equipment. Although the self-help water systems suffer from the same maintenance problems as the government systems, they generally serve the entire community, rather than primarily benefiting the more affluent.

Private voluntary organizations such as CARE are one channel for implementing the direct approach but they are not the only channel. Financing government facilities such as schools and clinics in impoverished areas would also exemplify the direct approach.

Bread for the World does not assert that the direct approach to aiding the poor is always appropriate. We recognize that in some cases top-down aid makes sense. But because the direct approach to aiding the poor is often the surest and most efficient way to alleviate extreme poverty we believe that this approach deserves higher priority than it is now accorded. Given that aiding the poor is declared in the Foreign Assistance Act to be the principal purpose of U.S. bilateral development aid, it seems inappropriate that roughly three-quarters of such aid should finance goods and services primarily used by those who are not poor.

BUILDING A POLITICAL CONSTITUENCY FOR DEVELOPMENT AID

A.I.D.'s reliance on the top-down approach is not conducive to building support for development aid among the American public. When Bread for the World campaigns for foreign economic aid,we are made aware of how reluctant many Members of Congress are to vote for foreign aid. They have sound political reasons for their reluctance; we all know that there is widespread public opposition to foreign aid spending, including foreign economic aid spending.

Why is this? At a time when hundreds of millions of people abroad are malnourished, why is there so little support for foreign economic aid?

The answer is not that Americans don't care about hunger and starvation overseas. On the contrary, Americans enthusiastically support private voluntary organizations which fight hunger in the developing countries. Although the U.S. is near the bottom of the list of aid donors in proportion of G.N.P. devoted to official development assistance we are tied for second in terms of proportion of G.N.P. devoted to voluntary assistance.

In a revealing 1980 study the Market Opinion Research organization found that less than 2 Americans in 10 want to see the amount of tax money spent to alleviate world hunger decreased. 8 out of 10 want it either increased or kept the same. However the same study found that 6 out of 10 want the amount of U.S. foreign economic aid decreased. As the study commented, spending on economic aid "is not tied in the public's mind with solving the world hunger problem."

In sum, there is a reservoir of public support for programs which reduce deprivation abroad, but the Public does not believe that the foreign economic aid program is effective in reducing such deprivation.

We have before us then an opportunity. If development aid can be reformed so that it is more effective, and is seen to be more effective, in reducing the extent of deprivation public support for the program would be significantly increased.

PROPOSED LEGISLATION

There is a bill now before Congress which would require that more U.S. development aid directly benefit the poorest people. Bread for the World believes this reform would make development aid more effective in reducing human misery and in improving the economic prospects of the poor.

The bill, HR 4588, would require that half of U.S. bilateral development aid (excluding operating expenses) go to finance productive facilities and other goods and services to be primarily used by those falling below the World Bank's absolute poverty line. This group constitutes about 40 percent of the developing world's population. The bill thus emphasizes the direct approach to aiding the poor.

HR 4588 was introduced by Rep. Gilman and has attracted widespread support. It currently has well over one hundred cosponsors in the House, ranging all across the ideological spectrum. Its cosponsors include 17 members of this committee.

A weakened version of the provision targeting 50 percent of development aid to the poor has gone through the Senate Foreign Relations Committee with Administration approval.

HR 4588 would shift some aid to impoverished people but it leaves the Administration plenty of flexibility. It leaves 50 percent of A.I.D.'s development accounts and all of the huge Economic Support Fund for aid which need not directly benefit the poor. Directing 50 percent of bilateral development aid to the poor would place restrictions on approximately $700 million out of a total of over $6 billion in non-military U.S. foreign aid.

In some ways therefore HR 4588's proposed targeting of aid to the poor is a very modest measure. But because this measure would sharply increase the amount of U.S. development aid getting through to the people who need it most desperately we urge you to support the proposal. Without calling for any additional U.S. government spending it nevertheless holds out promise of substantially decreasing the extent of poverty and hunger.●

MAJ. HOWARD HOFFMAN NEW SUPERINTENDENT OF MISSOURI HIGHWAY PATROL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. SKELTON. Mr. Speaker, I take this opportunity to congratulate Maj. Howard Hoffman on his appointment as the new superintendent of the Missouri Highway Patrol. Major Hoffman is currently district chief of enforcement at the Jefferson City headquarters of the patrol and, prior to that, was commander of Troop D in Springfield.

Major Hoffman has given 27 years of dedicated service to the patrol. In that time, he has developed a reputation beyond reproach with his fellow patrolmen. He is from my home county of Lafayette, and all of us from our county are proud of his accomplishments through the years. I wish him well in his new position.●

SIMPLE GUIDE TO THE MONETARY MAZE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. SHUMWAY. Mr. Speaker, there can be no question that the historically high "real" rates of interest we are now experiencing represent the single most significant impediment to economic recovery. The real rate of interest is the difference between the actual, or "nominal" rate, and the prevailing rate of inflation. It is abundantly clear that, until interest rates decline on a substantial and sustained basis the health of such key sectors as the automobile and housing industries cannot improve.

There is, Mr. Speaker, no single cause for high interest rates nor any simple solutions to the problem. Projected Federal deficits in excess of $100 billion which, as a result of Federal borrowing needs, limit the amount of credit available for the private sector, and thus increases its cost, bear a large part of the blame. The expectation of the financial markets that our recent success on the inflation front cannot be sustained is a significant factor. The policy of the Federal Reserve Board to restrict the rate of growth of money and credit in order to slow inflation has also contributed to the problem.

In this regard, Mr. Speaker, a great deal of confusion exists throughout the country about the Fed's role in the conduct of economic policy generally, and monetary policy in particular. It is widely believed, for example, that the Fed is an entirely independent entity, which profits greatly from the high interest rates which so burden the citizens of our Nation. This is, of course, not true; the members of the Federal Reserve Board are appointed by the President, and are subject to confirmation by the Senate. The Fed must report on a regular basis to Congress. Approximately 90 percent of the revenues the Fed derives from interest income on its portfolio of Treasury securities is returned to the U.S. Treasury, while most of the remainder goes for operating expenses. In short, the Fed was established by Congress, is subject to all the laws of the United States, and will be responsible for U.S. monetary policy only so long as Congress continues to delegate this authority.

At this point, Mr. Speaker, I would like to comment to our colleagues a very lucid explanation of how the Fed conducts monetary policy which recently appeared in the Washington Post.

Controlling the money supply is now a central part of economic policy. Yet the language of monetary policy can be very confusing to the layman—so confusing that it may be hard to understand what the Federal Reserve is trying to control, and why.

Put simply, the Federal Reserve wants to control the amount of spending power—or money—in the economy in order to affect the level of economic activity in the nation. If the Federal Reserve limits the amount of money available for businesses and individuals to spend, then it indirectly influences, and limits, how much is actually spent.

Such a limit may affect both real output in the economy and the rate of inflation, since an extra dollar of spending may be used either to pay a higher price, or to buy more goods. Monetary policy makers hope that their control of the money supply will eventually have a bigger impact on inflation than on output and employment. In other words, they hope a tighter money supply will put the squeeze more on prices than on output.

There are two different kinds of problems with this view of monetary policy.

The first, highlighted by Prof. Tobin, concerns the balance of costs and benefits in using tight money to fight inflation. Tobin argues that restrictive money policy is now damaging the economy, by holding down output and pushing up unemployment, more than it is helping it. In other words, the cost to the nation of reducing inflation through monetary policy is proving too high.

Secondly, there are severe practical difficulties in carrying out a monetary policy aimed at restricting the money supply.

For one thing, there is no single definition of money. While dollar bills and coins are obviously money, people and businesses also use their checking accounts to buy things in much the same way as they use cash. The narrow "M1" measure of the money supply includes currency in circulation and all checking accounts.

But what about money market funds, or passbook savings accounts? While these may not be drawn upon as easily as a billfold full of notes, some people may use them like "money" for making major purchases. The Federal Reserve's "M2" money measure includes these and some other similar items, such as small-denomination certificates of deposit. There is a still broader money measure, "M3," which includes funds even further removed from the cash in one's pocket but which may still be used to support spending—for instance, large CDs.

Monetary policy is further complicated by the fact that the relationship of all of these measures to total spending—which is what the Fed is really interested in—is only loose, and can change over time.

For example, some checking accounts now pay interest. These NOW accounts may be used just as an ordinary checking account and thus be akin to cash. But some people may treat the "money" in these accounts more like savings than like spending money. If people switch money from passbook savings to NOW accounts, M1 grows. But this growth may not represent any increase in spending power.

The final difficulty for the Fed is that it does not have direct control over any of these kinds of money, other than the cash in circulation. Money is actually created when banks lend it. Borrowers, whether businesses or individuals, either deposit the funds in accounts included in one or another of the money measures or pay the money to others who do.

The Fed influences how much banks can lend and how large their deposits can be by adding to or taking away from the reserves which all financial institutions must hold in proportion to the deposits they accept. The Monetary Control Act of 1980 will eventually require banks and all other major deposit-taking institutions to hold as reserves 3 percent of nonpersonal time deposits; 3 percent of the first $26 million of transactions accounts; and 12 percent of the amount above this. These requirements are being phased in.

Banks can obtain the necessary reserves either from the Federal Reserve, from each other, or from overseas. The Fed supplies reserves to the entire banking system by buying government securities, like Treasury bills. This is actually the closest that monetary policy comes to the popular notion of "printing money." If the Federal Reserve does not supply enough reserves to support the level of deposits in the banking system, banks must borrow more from each other, or from the Fed. As banks bid for these reserves, the price, or interest rate, rises.

As their own borrowing becomes more costly, banks will charge their customers, or borrowers, more. Some individuals and businesses will then decide against borrowing and therefore against spending as much as they might have. In this way the Federal Reserve's "tight money," in the form of a tight supply of reserves to the banking system, feeds through, via high interest rates, to spending power and economic activity.●

INDIAN HEALTH SERVICE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. DYMALLY. Mr. Speaker, it is of vital importance that I alert my colleagues to a most alarming development in the area of health services for American Indians.

A report submitted to Congress by Dr. Everett R. Rhoades, Director of the Indian Health Service, attempts to assess and categorize various urban American Indian health projects with regard to funding priorities. This report indicates that many Indian health clinics should undergo drastic reductions in funding or be terminated altogether.

This report, however, is completely, and dangerously, misleading. Questionable methodology and dubious conclusions render this report entirely ineffectual.

These health clinics are serving thousands of impoverished Americans who are unable to obtain sufficient health care elsewhere because, for a great many urban American Indians, proper medical attention is prohibitively expensive. Consequently, any further limitation of these people's access to health service would constitute an intolerable injustice.

There remains, for example, only one Indian health clinic in the entire Los Angeles area, in Compton, CA; and that one has been marked for extinction by the authors of this report. The removal of this last Los Angeles-area clinic alone would cause a great many people to go without any health care whatsoever. This, however, is only one of the threatened clinics.

I ask my colleagues not to permit the abolishment of these Indian health centers. Each is carefully geared to provide important, essential services to needy people within its particular service area. The IHS report's most flagrant violation of sound methodology, however, is the fact that individual clinics were evaluated according to blanket criteria which were not established until after each clinic formulated its programs in compliance with its own area's needs and State regulations. This, even without the other substantial methodological shortcomings, is reason enough to disregard the misleading "evidence" of the IHS report. I vehemently oppose taking any actions on the basis of the report's findings or recommendations.

I implore my colleagues to join me in this struggle to maintain, if not increase, funding for these desperately needed clinics. If we are not successful, one of the most disadvantaged peoples in America will suffer yet another crippling blow.●

OUR THANKS TO JOE WOMACK

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to publicly express my appreciation and that of the Subcommittee on Housing and Community Development to Joseph L. Womack, an assistant legislative counsel, for his work on behalf of all Members of Congress. Joe will be leaving the service of the House this week after 9 years to take a position at the East Texas State University in Commerce, Tex.

As a freshman and as a member of the Housing Subcommittee, I have benefited from Joe's expertise and his patience. He has always made himself available to me and other members of our subcommittee, as well as to members of the staff.

Now he will be returning to Texas, where he is no stranger, having attended Baylor University and the University of Texas Law School. I am sure that Joe and his wife, Cynthia, and his children, Chris, Todd, and Heather, are looking forward to returning to Texas to start a new life there.

On behalf of all Members who have worked with Joe Womack, I would like to express our thanks and our best wishes for his future success.●

EXPLAINING SOCIAL SECURITY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. HAMILTON. Mr. Speaker, I would like to insert my "Washington Report" for August 18, 1982, into the CONGRESSIONAL RECORD.

EXPLAINING SOCIAL SECURITY

Everywhere I go in the Ninth Congressional District, I see that Hoosiers are deeply concerned about the future of the social security system. Older people fear that their benefits are in jeopardy. younger people are convinced that they will get little in return for what they pay into the system. As much as three quarters of the nation's population believe that the system will not be able to pay them their full benefits. In fact, the social security system faces a short-term problem beginning next year and continuing through the late 1980's, and a long-term problem beginning around the year 2025. Between 1990 and 2025, however, the system should be in good condition.

The short-term problem is one of cash flow. Since 1974, the old age and disability trust funds have been paying out more in benefits than they have been taking up in taxes: an imbalance due mainly to sharp increases in benefits. However, benefits have always been paid because the funds could draw on substantial reserves which had built up over the years. Under current law, these reserves could be exhausted in 1983. Benefits to be paid out may exceed revenues to be taken in by some 6 percent from 1983 to 1986. At the outset, the main consequence of the fiscal shortfall would be a delay in the receipt of benefits for a few days.

The long-term problem is by far the more serious. As the "baby boom"—those born after 1947—begins to retire, a shrinking number of workers will have to support a growing number of retirees. The fiscal shortfall between 2030 to 2054 would be roughly equal to 33 percent of expenditures.

A number of measures are being considered as solutions to the short-term problem. They include extending interfund borrowing among the trust funds, holding cost-of-living increases to the average rate of increase in workers' wages, granting the system standby authority to borrow from the general fund of the Treasury, taxing some of the benefits received by persons with very high incomes, bringing federal and other non-covered workers into the system, and moving up the scheduled increase in the payroll tax from 1985 to 1983. Measures under consideration to address the long-term problems include a gradual rise in the retirement age from 65 years to 68 years, a change in the formula used to determine initial benefits at retirement, and a gradual reduction in the benefits of those workers who choose to retire before age 65.

The attitude of Congress is of prime concern to Hoosiers. Will Congress ignore the problems until they cannot be solved? Will Congress slash the benefits of current retirees? Actually, there are many reasons for optimism that Congress will act cautiously and prudently to protect the social security system.

1. A complete overhaul of the system is not required. The system faces a fiscal shortfall of only 6 percent in the next few years. Interfund borrowing alone may be a sufficient remedy. Likewise, the more serious long-term problem can be solved as long as we act without too much delay.

2. The record of Congress is a good one. Since the issuance of the first social security check in 1940, monthly benefits have always been sent on time. Congress has taken the steps needed to preserve the integrity of the system on at least 20 occasions in the past. This session, too, Congress and the President have evinced their clear desire that the problems be corrected soon.

3. Congress knows the importance of a stable system. Congress is aware that social security is critically important to the nation's elderly, two thirds of whom have it as their primary source of income. Also, Congress realizes that it must restore the confidence of younger people, who are paying much higher pay roll taxes than their parents paid. Politicians know that they have too much at stake—36 million beneficiaries and 116 million covered workers—to permit the system to falter or collapse.

4. Major recommendations are expected by the end of the year. Action by Congress was postponed last year because of the formation of a 15-member commission whose task is to find a bipartisan consensus on reform of the system. A report should be ready by December 31, 1982, and could be the blueprint for far-reaching legislative reform. Since Congress must take some action before July, 1983, there is a definite

chance that Congress might try to enact important, substantive changes at that time.

Congress will not take steps which destroy public support for the system. First, it will in all likelihood not reduce the benefits of current, legitimate retirees. If you are getting a $400 monthly check now, you can expect to collect at least that much every month in the future. The major proposals under consideration for current retirees would at most trim back future increases in benefits. Second, Congress will give future retirees some years' notice of any significant cutbacks so that they will have time to adjust their plans for retirement. Proposals now under consideration would phase in significant long-term changes at a slow pace.

Present projections about the stability of the social security system should concern us all. I will do all I can both to assure payments to future retirees and to preserve the benefits of current retirees.●

GETTING OUT THE VOTE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. RANGEL. Mr. Speaker, I would like to bring to your attention and to the attention of our colleagues a unique and noteworthy contest that took place in Manhattan this summer. The American Citizenship Committee of the New York County Lawyers' Association ran an essay contest for high school students on the subject of "Getting Out the Vote."

Few matters should be of as great concern to the elected representatives of this Nation as the downward slope of participation in elections by voting age citizens. In 1880, 81 percent of voting age population chose to exercise their right of franchise. By 1960, that total had dropped to 65.4 percent. In the 1980 election, a mere 55.1 percent of voting age citizens bothered to cast ballots.

In a government by and for the people, this trend is more than simply disheartening. It is a sign of the breakdown of democratic government itself. When citizens neglect the privilege and duty of voting, our Nation is the grave danger.

The New York County Lawyers' Association, by encouraging students to get involved in solving this problem, has taken steps to turn it around. Focusing the sharp minds of our youth on the problem is, in the end, the only solution. For they are the ones who otherwise will inherit a democracy crippled by apathy.

I would like to share with you the three essays that won. They are reprinted below:

GETTING OUT THE VOTE

(By Darlene Heckstall)

In our society today, many people feel that their vote is useless. They have taken the attitude that their vote does not really count. I feel that this attitude is a threat to all of us and should be rejected, for if each and every person came out to vote we would have a more representative society.

As we look around us, at the conditions in which we live and the current economic situation, we should realize that the only way these conditions will change is if we, as individuals, come together as one and make our vote count.

I believe that we cannot sit back and watch our country decline. The young people should not let this country decline and continue to go under, but instead they should unite and speak up against what is happening to our society. We, as young people, cannot separate ourselves from society, but we instead must become a productive force of society. We should not become leaners on our communities but become a strong foundation of the community.

Black and Hispanic areas must give their vote in order to better their living conditions. They must pull together, so that they will no longer be the part of society that is being left behind.

Blacks and Hispanics cannot sit back and watch their homes turn into useless ghettos, but they have to come out and make their community a help to society, and not a constant burden.

Many people are unemployed, depending on public assistance. These people openly complain of no jobs and poor housing, yet they do not come out to make their vote count. How can we expect a change if we are not willing to give support and let our representatives know that we care about our families and communities.

Recently, while on a bus ride, I passed some abandoned homes and rundown tenements. The streets were filthy, and some of the men and women sat around as if they did not care. As I passed, I tried to understand exactly what I was looking at. I asked myself, why did these people have to live in such degrading areas? Why weren't able-bodied men contributing to their societies, and why were little kids destroying their property? As I sat and watched, I realized that these people lived like this, because not enough people cared enough to come out and speak out against these conditions. Not enough people tried to make their vote count. If these people are unhappy with their surroundings, they can make a change. If we vote someone into office who cares and understands what the people want and need, I feel it would be a step towards a more unified and prosperous country.

One way I think we can get people to come out and vote is if we follow a custom which Australia has. In Australia, if a person is of legal age and does not vote, they can be fined. I think this policy would move a lot of people to vote.

I think our country will once again rise if we, as individuals, join together as one and make our vote count.

GETTING OUT THE VOTE

(By Kim Conway)

Voting is the method used by citizens in a democratic state to decide issues and choose their leaders. Freedom to vote is essential to self-government, whether carried out directly or through elected representatives of the people.

In our own country, the individual states set up the qualifications necessary for a person to vote. All states require the voter to be a citizen of the United States and to live in the state and voting precinct a certain length of time. Most states also require a voter to be at least 21 years of age and disfranchise those convicted of certain serious crimes or who are mentally deficient. Before the recent passing of national voting rights laws, some southern states used poll taxes (a tax paid before voting) and literacy tests to keep Blacks from voting.

The antislavery movement, which culminated in the right of Blacks to vote, was linked with the women's suffrage movement. The Fourteenth Amendment passed in the Reconstruction era guaranteed equal rights for black men, but seemed to deny them not only to black women, but to all other women. It was not until the current century that the women's suffrage movement finally won.

It took 52 years of almost ceaseless effort and hundreds of separate campaigns to convince state constitutional and presidential party conventions to include women's suffrage in state constitutions and presidential platforms.

In countries having forms of government other than democratic, the voting process is sometimes denied, or, if permitted, becomes meaningless because the candidates for office are limited to those approved by the existing government.

Despite how precious the right to vote is, a high percentage of eligible voters in the United States either never or seldom vote. No more than two thirds of the eligible voters become involved, even when Presidential elections are at stake. In many other democracies, at least 80 percent of the voters go to the polls in equivalent elections.

According to Webster's New Collegiate Dictionary, the definition of "vote" is a wish, choice, or opinion of a person or a body of persons expressed by a ballot. To account for the percentage of people who do not vote, can we conclude that non-voters do not possess a real choice among basically similar candidates? If their inaction is simply a matter of disinterest, non-voters seem just as swift in condemning the elected official as those who voted for him, assuming dissatisfaction later prevails.

Therefore, let us encourage non-voters to get out and vote. Let them utilize the power they hold to choose the best candidate. Most importantly, let them realize that every vote does count.

Those working for the success of a particular party's candidate know how important it is to "get out the vote" and employ various methods of reaching potential voters such as direct mail appeals, telephone calls, and door-to-door personal visits. The recent win of New Jersey's Governor Thomas Kean over his democratic opponent was by a margin of less than 2,000 votes. This should convince even the doubtful of the value of the individual vote.

Citizens in other democratic countries consider voting one of their most important rights. All of us should remember that the right to vote, our ability to choose our leaders, is for our collective benefit. That right should not be ignored by anyone.

WOMEN CAST THEIR BALLOTS!

(By Wendy Silverman)

That women should vote is now so generally accepted that few of the post-war generation can appreciate the long and intense struggle that occurred before women's right to political equality was recognized. John Stuart Mill presented his Woman Suffrage petition to the House of Commons in 1866. It took Parliament 52 years to accede. In the United States, the Seneca Falls Declaration of July 19, 1848, resolved, "That it is the duty of the women of this country to secure to themselves their sacred right to the elective franchise." Again, over 71 years passed before this resolution was adopted.

After reviewing the nationwide voter turnout in the 1980 Presidential election, it is rather hard to comprehend the lengths to which women went in the late nineteenth and early twentieth centuries to secure their right to vote. The percentage of registered voters who did vote was roughly 74.3. However, the percentage of the voting age population that voted was considerably less—only 55.7.

The woman's suffrage movement was organized by such dedicated people as Elizabeth Cady Stanton, Lucy Stone, Susan B. Anthony, and Lucretia Coffin Mott. These were women who devoted their lives to the suffrage cause. Their general intentions were to inform the public through speeches and the like, and dispel the myths that giving women the vote would destroy the family and disrupt politics.

Among the tactics employed by the suffragists was the demonstration. These mass meetings were frequent occasions across the country. In 1910, the Women's Political Union sponsored the first of a series of major suffrage parades in New York City. One such demonstration was held in Union Square on Friday, May 20, 1910. It included over 10,000 persons who listened to the speeches presented by the women. It was the largest suffrage demonstration ever held to that date in the United States. The suffrage campaign in California which saw the use of huge billboards, electric signs, pageants, plays and essay contests, culminated in victory in 1911. The next year, the women of Oregon, Arizona, and Kansas became voters.

In January 1917, women suffragists, representing all parts of the country, posted pickets about the White House grounds, their purpose being to make it impossible for the President to enter or leave the White House without encountering a picket bearing some device pleading the suffrage cause. This culminated in over nine arrests, and during their prison stay, several women risked their health on a hunger-strike to protest their unreasonable arrests.

After the House of Representatives' vote in January 1919 favoring woman suffrage, the Senate proceeded to pass the Susan Anthony amendment to the Constitution on June 4. With ratification taking place by August 18, 1920, women were first able to exercise their right to cast their ballots that November.

It is fascinating to find that for several years, beginning with the presidential election of 1868, women attempted, mostly unsuccessfully, to cast ballots. In 1872, Susan B. Anthony led 50 women to a polling place in Rochester, N.Y., her hometown, where they registered to vote. On election day, she and more than a dozen other women cast their ballots. Within two weeks, Anthony and the others were arrested and charged with voting illegally under a statute which carried a possible three year term.

During the trial of the United States versus Susan B. Anthony in June 1873, Anthony fought gallantly for her right to be represented as one of the governed and one of the taxed in this so-called republican form of government. It is unfortunate that in the last presidential election, 44.3 percent of the voting age population could not even be cajoled into voting. As a matter of fact, 18.6 percent of them were not even registered. If people want the fruits of democracy, it is only fair that they take on the responsibility of expressing their views through the ballot system. The voter apathy of today would shock the suffragists. As Elizabeth Cady Stanton once said to Lucretia Mott, "the power to make the laws is the right through which we can secure all other rights."●

EL SALVADOR CERTIFICATION

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. STUDDS. Mr. Speaker, I would like to take this opportunity to share with my colleagues two recent editorials from Massachusetts newspapers—the first from the Quincy Patriot-Ledger and the second from the Boston Herald American—regarding President Reagan's certification on El Salvador. I believe that these pieces do much to point out the fallacies inherent in such a certification of progress in the areas of human rights, land reform, and the investigations into the murders of six American citizens. It is my hope that my colleagues will support House Joint Resolution 552, legislation which would declare "null and void" President Reagan's certification that El Salvador is in compliance with the conditions placed upon continued U.S. military aid.

[From the Quincy Patriot-Ledger, July 29, 1982]

MATTERS OF CREDIBILITY

If the United States terminated its military and economic assistance to El Salvador on the grounds of human rights violations, things could get much worse in that Central American country.

Still, this week's "certification" by President Reagan that El Salvador is making progress on human rights and on changes in the economic and political systems comes close to being a whitewash.

True, the administration's report—required by Congress as a condition for continuing aid—is not enthusiastic over the situation in El Salvador. While concluding that the Salvadoran government is making "tangible signs of progress," the report also notes that "the strife continues to produce serious and frequent violations of basic human rights committed by leftist guerrillas, right-wing terrorists, and members of the government's military and security forces." (On the day the report was submitted, U.S. reporters in El Salvador found the multilated bodies of four persons apparently in their teens along the side of a major highway not far from the entrance to the barracks of the country's elite battalion. All the victims showed signs of torture. Who killed them has not been disclosed.)

To justify its certification, the administration pointed to the holding of national elections in Salvador despite the continued fighting, the continuation of the land reform program, and fewer civilian deaths and abuses by security forces.

Still, there are reports of police torture, the violence continues, and land reform has slowed.

While there was an elaborate ceremony at the presidential palace this week as President Alvaro Magana delivered titles to the new peasant owners of 12 cooperatives, this event appeared to be a public-relations show. Some peasants continue to be kicked off land for which they had provisional title, President Reagan's report notes. A surge in evictions, some carried out by local military forces, occurred after rightist parties gained political power in the March balloting for the Constituent Assembly. The assembly itself issued decrees that were interpreted as postponing some land redistribution measures.

In requiring the certification progress, Congress was sending a clear message both to the Reagan administration and to the Salvadoran leaders on what the conditions of continued American support would be. It was also giving the administration leverage in dealing with the Salvadoran government.

That leverage won't count for much if it isn't used to get clear results, if the U.S. government pretends things are better than they are.

The administration may believe that without continuing U.S. aid and the accompanying U.S. pressure there would be even less respect for democratic processes and for human rights in El Salvador. Perhaps. But the U.S. government also is weakening the force of the pressure it can bring to bear on aid recipients when it puts a seal of approval on nations that haven't lived up to specified conditions. And the more this happens, the less other nations will believe we mean what we say, and the less heed will be given to American advice, or American "conditions."

[From the Boston Herald American, Aug. 4, 1982]

STOP AID TO EL SALVADOR

There are strings attached to the military aid the United States gives to El Salvador.

Under U.S. law, the president last week certified that progress is being made by the Salvadoran government in protecting human rights and in implementing land reform.

But a look at the situation in El Salvador makes it clear that no progress has been made. Militarily, the Salvadoran army so quick to accept U.S. weaponry has been just as quick to shun U.S. advice. Instead of adopting U.S.-supported counter-insurgency tactics designed to spare civilian lives, the Salvadoran army has continued to use the large-scale military operations that it favors. Its aggressive efforts to ferret out left-wing guerrillas have left many innocent civilians dead.

The Salvadorans have also turned a deaf ear to U.S. advice on how to institute land reforms to turn the land back over to those who work it. The right-wing Constituent Assembly, led by reactionary despot Roberto d'Aubisson, has dismantled the U.S.-sponsored Land to the Tiller program. As a result, thousands of peasants are once again landless, having been evicted from their newly-granted land.

It is time for the United States to yank the string and to cancel military aid to El Salvador. If the tug brings about drastic progress toward human rights and land reform by the Salvadoran government, aid could eventually be resumed.

But if El Salvador refuses to change its tack, aid must be halted permanently. U.S. policy must continue to push for a free and democratic El Salvador. The Salvadoran government, by ignoring and supressing populist demands for human rights and land reform, is blocking that goal. Every time its army kills an innocent civilian, every time it takes land away from a peasant, the government sows the seeds of rebellion.

As John F. Kennedy once said: "Those who make peaceful evolution impossible make violent revolution inevitable."●

PRESIDENT REAFFIRMS BACKING OF TAIWAN RELATIONS ACT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. BROOMFIELD. Mr. Speaker, I was privileged to be in attendance at the White House to hear the President explain the United States-China joint communique issued Tuesday.

I was pleased to hear him reaffirm his support for the Taiwan Relations Act and his longstanding friendship for the people of Taiwan.

Despite reports to the contrary, the President said the issuance of the joint communique will not pressure Taiwan to negotiate with the People's Republic of China.

"The Taiwan question is a matter for the Chinese people, on both sides of the Taiwan Strait, to resolve. We will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter," the President said.

In view of the strong interest in this issue, I am including the text of the joint communique along with the President's statement on its issuance for the information of my colleagues.

PRESIDENTIAL STATEMENT ON ISSUANCE OF COMMUNIQUE

The U.S.-China Joint Communique issued today embodies a mutually satisfactory means of dealing with the historical question of U.S. arms sales to Taiwan. This document preserves principles on both sides, and will promote the further development of friendly relations between the governments and peoples of the United States and China. It will also contribute to the further reduction of tensions and to lasting peace in the Asia/Pacific region.

Building a strong and lasting relationship with China has been an important foreign policy goal of four consecutive American administrations. Such a relationship is vital to our long-term national security interests and contributes to stability in East Asia. It is in the national interest of the United States that this important strategic relationship be advanced. This communique will make that possible, consistent with our obligations to the people of Taiwan.

In working toward this successful outcome we have paid particular attention to the needs and interests of the people of Taiwan. My longstanding personal friendship and deep concern for their well-being is steadfast and unchanged. I am committed to maintaining the full range of contacts between the people of Taiwan and the United States and the people of Taiwan—cultural, commercial and people-to-people contacts—which are compatible with our unofficial relationship. Such contacts will continue to grow and prosper, and will be conducted with the dignity and honor befitting old friends.

Regarding future U.S. arms sales to Taiwan, our policy, set forth clearly in the communique, is fully consistent with the Taiwan Relations Act. Arms sales will continue in accordance with the Act and with the full expectation that the approach of the Chinese government to the resolution of the Taiwan issue will continue to be peaceful. We attach great significance to the Chinese statement in the communique regarding China's "fundamental" policy; and it is clear from our statements that our future actions will be conducted with this peaceful policy fully in mind. The position of the United States Government has always been clear and consistent in this regard. The Taiwan question is a matter for the Chinese people, on both sides of the Taiwan Strait, to resolve. We will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter. At the same time, we have an abiding interest and concern that any resolution be peaceful. I shall never waver from this fundamental position.

I am proud, as an American, at the great progress that has been made by the people on Taiwan, over the past three decades, and of the American contribution to that process. I have full faith in the contribution of that process. My Administration, acting through appropriate channels, will continue strongly to foster that development and to contribute to a strong and healthy investment climate, thereby enhancing the well being of the people of Taiwan.

UNITED STATES-CHINA JOINT COMMUNIQUE OF AUGUST 17, 1982

1. In the Joint Communique on the Establishment of Diplomatic Relations on January 1, 1979, issued by the Government of the United States of America and the Government of the People's Republic of China, the United States of America recognized the Government of the People's Republic of China as the sole legal government of China, and it acknowledged the Chinese position that there is but one China and Taiwan is part of China. Within that context, the two sides agreed that the people of the United States would continue to maintain cultural, commercial, and other unofficial relations with the people of Taiwan. On this basis, relations between the United States and China were normalized.

2. The question of United States arms sales to Taiwan was not settled in the course of negotiations between the two countries on establishing diplomatic relations. The two sides held differing positions, and the Chinese side stated that it would raise the issue again following normalization. Recognizing that this issue would seriously hamper the development of United States-China relations, they have held further discussions on it, during and since the meetings between President Ronald Reagan and Premier Zhao Ziyang and between Secretary of State Alexander M. Haig, Jr., and Vice Premier and Foreign Minister Huang Hua in October, 1981.

3. Respect for each other's sovereignty and territorial integrity and non-interference in each other's internal affairs constitute the fundamental principles guiding United States-China relations. These principles were confirmed in the Shanghai Communique of February 28, 1972 and reaffirmed in the Joint Communique on the Establishement of Diplomatic Relations which came into effect on January 1, 1979. Both sides emphatically state that these principles continue to govern all aspects of their relations.

4. The Chinese government reiterates that the question of Taiwan is China's internal affair. The Message to Compatriots in Taiwan issued by China on January 1, 1979 promulgated a fundamental policy of striving for peaceful reunification of the Motherland. The Nine-Point Proposal put forward by China on September 30, 1981 represented a further major effort under this fundamental policy to strive for a peaceful solution to the Taiwan question.

5. The United States Government attaches great importance to its relations with China, and reiterates that it has no intention of infringing on Chinese sovereignty and territorial integrity, or interfering in China's internal affairs, or pursuing a policy of "two Chinas" or "one China, one Taiwan." The United States Government understands and appreciates the Chinese policy of striving for a peaceful resolution of the Taiwan question as indicated in China's Message to Compatriots in Taiwan issued on January 1, 1979 and the Nine-Point Proposal put forward by China on September 30, 1981. The new situation which has emerged with regard to the Taiwan question also provides favorable conditions for the settlement of United States-China differences over the question of United States arms sales to Taiwan.

6. Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution. In so stating, the United States acknowledges China's consistent position regarding the thorough settlement of this issue.

7. In order to bring about, over a period of time, a final settlement of the question of United States arms sales to Taiwan, which is an issue rooted in history, the two governments will make every effort to adopt measures and create conditions conducive to the thorough settlement of this issue.

8. The development of United States-China relations is not only in the interests of the two peoples but also conducive to peace and stability in the world. The two sides are determined, on the principle of equality and mutual benefit, to strengthen their ties in the economic, cultural, educational, scientific, technological and other fields and make strong, joint efforts for the continued development of relations between the governments and peoples of the United States and China.

9. In order to bring about the healthy development of United States-China relations, maintain world peace and oppose aggression and expansion, the two governments reaffirm the principles agreed on by the two sides in the Shanghai Communique and the Joint Communique on the Establishment of Diplomatic Relations. The two sides will maintain contact and hold appropriate consultations on bilateral and international issues of common interest.●

RETIREMENT OF MRS. CANDY C. PARKER

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. CORRADA. Mr. Speaker, I would like today to pay special tribute to Mrs. Candy C. Parker who, on September 15 will leave the Congress of the United States after 15 years of dedicated service to the people of Puerto Rico in the office of four consecutive Resident Commissioners from our island.

That date marks the retirement of Mrs. Parker, whom everyone in the House of Representatives knows as Candy, as my personal secretary and office manager since 1977. Candy, a native of Fajardo, P.R., met her husband Jim while he was on duty in Puerto Rico and except for two brief assignments in Trinidad and New York, the Parkers have lived in the Washington area for the last 30 years.

I wanted to take this opportunity to pay public tribute to Candy and to join with the many friends she leaves behind in the House of Representatives in wishing her health and happiness in the future.

In 1967, Candy began working for the then Resident Commissioner from Puerto Rico, Hon. Santiago Polanco Abreu, as a secretary. She has been working for the office of the Resident Commissioner since that time in various capacities, as a secretary, caseworker, and office manager.

Prior to 1967, when she came to the Congress, she worked in the Washington Office of the Commonwealth of Puerto Rico for 10 years.

Throughout her 25 years of dedicated service to the people of Puerto Rico, and to the Resident Commissioners like myself who were fortunate to have her on board during our tenure in the Congress of the United States, Candy Parker always did her work as a public servant diligently, loyally, and with a cheerful disposition that has endeared her not only to her immediate office colleagues, but to hundreds of people in the Nation's Capitol.

It is, indeed, an acknowledgement of her wise counsel, discretion, friendship, duty and dedication that her career has spanned five consecutive administrations in Puerto Rico.

All have benefited from having her as a coworker, and she will be sorely missed by her many friends.

Oliver Wendell Homes once noted that "every calling is great when greatly pursued" and this maxim certainly applies to the considerable talents Candy brought to her work.

To both her, and her husband Jim, we wish luck and happiness in their new home in Florida, our gratitude for their work and many sacrifices made on behalf of the people of Puerto Rico, we bid a found "hasta luego."●

TOO MANY ROTTEN APPLES

HON. ED WEBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. WEBER of Ohio. Mr. Speaker, I want to bring to the attention of my colleagues an outstanding statement about what is right about America. Instead of blaming everybody but ourselves for our problems today, let us take a good hard look at what each American might be able to do about it himself or herself.

I offer to you the script, "Too Many Rotten Apples," a tape recording which came to me from someone who is obviously the type of concerned citizen we need, the type of person who is ready, willing, and trying to carry his own weight and pull his own oar—my constituent Roger A. Brown.

The statement follows:

TOO MANY ROTTEN APPLES

You read a lot and hear a lot about what's wrong with America. You never hear or read what's right about America.

Well, let me tell you something mister and you too sister—

I was what they called a "depression baby" because I was born in the midst of the Great Depression of the 1930's.

My old man made $10 a week and damn glad to get it—a lot of people who were out of work stood on the corners selling apples. They'd pay a nickel a piece for the apples and hope they could turn a profit—most of them lost their money and ended up with a bunch of rotten apples. And that's the trouble with America today—there's too many rotten apples—we need people with ideas and guts to carry them out to improve ourselves and our country.

Too many people think that America owes them a living. We have double-digit inflation, we have 9- to 12-percent unemployment. And who do we blame? We blame the Japanese, the Russians, the Chinese, the Arabs, and most of all we blame our own President—the man who had the guts and courage enough to run for that office and who was elected by the people of America and just because he didn't make everything hunky dory in less than a year the mess we're in is all his fault.

I can remember when a baby boy was born, the proud parents would say, "Maybe someday he'll be President."

Now you hear, no way would I want my son to be President, that's one giant headache and thankless job. Anyone has to be crazy to want to be President.

The President of the United States doesn't receive respect anymore, he receives condemnation, criticism, ridicule, and an assassin's bullet.

You know what's wrong with America? It's not the Japanese, the Russians, the Chinese, the Arabs, and least of all our President—the trouble with the United States is U-S US we've become too damn soft and lazy and we expect too much for too little. We just have to have two cars, two TV's, a home with two baths, a dishwasher, a room for every kid and that's just the bare necessities—but we think we deserve those things and we shouldn't have to work for them.

We've become masters at seeing how much work we can get out of doing and still get paid for it. Come in late, go home early, take coffee breaks, sick leave. "The company owes me a living, they got so much money, it's about time they gave me some."

That's why we have inflation—nobody does a dollar's work for a dollar's pay—and a country like Japan that does $2 work for $1 pay and takes pride in doing it comes over here and sells cars, computers, cameras, bikes, boats, skis, stereos, and steel better than ours for less money. Then we curse them instead of admire them but, we still buy their products.

Instead of changing our system, we cry and complain—where would we be if our forefathers cried and complained? America would still belong to the Indians.

Why are people out of work? They're out of work because they're not working—they're not working because they say there aren't any jobs. What they mean is, there aren't any jobs to suit their taste or special talent—there's jobs out there, but you might have to sweat a little—you might have to exert some physical labor—heaven forbid. If we would just get off our dead a- - and look for a job and take a job instead of crying about the unemployment, there wouldn't be any unemployment. If we did our job, no matter what it was with pride and did it the best we knew how, there wouldn't be any inflation because our products would be good and the price would be right.

We've stopped thinking and inventing and creating, we expect the other guy to do it—we want the government to pay for everything and then we cry about taxes.

Come on America, wake up—if you don't like what you're doing at your job, learn to like it, change it or leave it.

If you don't like the way America is being run then stop crying about it and do something about it.

We've got enough rotten apples and enough cry babies. What we need are some good old fashioned, honest, hard working, innovative, patriotic Americans that will change it.

So stand up America and get out of the red,
Wake up America and get out of bed,
Damn the complainers America and full
speed ahead.●

ENERGY COMPLACENCE IS NATIONAL DANGER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. FUQUA. Mr. Speaker, we are all aware of the danger of complacency about the need for a strong program of developing alternative energy sources during a period of declining petroleum prices caused by events over which the United States had no control.

I am happy to report that others are similarly concerned about our future dependence on foreign petroleum and are alert to the necessity of continuing the synfuels program which we so ambitiously launched 2 years ago.

The following editorial from the Florida Times-Union, published in Jacksonville, Fla., clearly states the dangers of complacency and the value of planning for alternative energy:

TEMPORARY OIL GLUT WEAKENS SEARCH FOR ALTERNATIVE ENERGY

In an unusual display of foresight a couple of years ago, Congress set up a synthetic fuels project—synfuels—with an ambitious goal: Produce the equivalent of two million barrels of oil per day by 1992.

The mechanics of the program set aside $17.5 billion initially to encourage private-industry synfuel projects, by guaranteeing loans, prices and purchase agreements.

That was two years ago. Of the total sum set aside, $15 billion has never been committed.

Why?

It is because of short-term considerations: A momentary "glut" turned oil prices soft while interest rates made borrowing for major projects uninviting, if not prohibitive.

Industry shied away.

Whereupon immediately, flocks of congressmen coveted the money for various other programs.

"I don't think the country is that stupid," answered House Majority Leader Jim Wright, who had led the fight for the synfuel program.

"After having foreign oil producers pull the rug out from under us twice . . . I can't believe we'll go back to sleep again. Even Rip Van Winkle didn't go back to sleep a second time."

Wright is by no means alone in his expressed concern. Two recognized experts on energy and international politics have written a book, "Global Insecurity," which foresees as "highly likely" a new oil crisis during this decade that could, by the year 2000, drive oil prices to "more than twice what they are today."

The authors point out that "glut can turn to shortfall on little more than an assassin's bullet" and that the "orderly and reasonable functioning of markets" can be totally overwhelmed by a political revolution and the sudden panic of the unprepared.

The scholarly credentials of the two authors—Daniel Yergin is associate director of Harvard University's Energy Security Program, and Martin Hillenbrand, a former U.S. ambassador to Germany and Hungary, is director general of the Atlantic Institute for International Affairs in Paris—and the academic-sounding title of the book should not discourage readers. The book reads like a suspense thriller.

The authors warn that dwindling oil supplies will be responsible for renewed inflation, unemployment, and tensions among the Western allies, causing "the greatest danger to world peace."

The impending crisis is also seen as creating conditions "dangerous to this nation's social structure (and) a challenge on the scale of the Great Depression to the viability of democratic institutions."

It is no secret that repeated and/or critical energy losses pose grave economic, social and political problems, reflected in rising unemployment and declining real incomes. All of this could, as the authors warn, lead to "declining confidence in government."

Indeed, one wonders if what's going on at present might not cause a decline of confidence in Congress and in the foresight of U.S. industry as well.

Despite the government's guarantee, the prime action in the synfuel field to date has been one major oil company pulling out of a giant project in Colorado and another firm delaying a second effort.

Rip Van Winkle may not have gone to sleep a second time but the sounds from the United States alternative energy front sound like snores.●

IN SUPPORT OF THE INCREASED APPROPRIATION FOR THE NATIONAL SCIENCE FOUNDATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. RANGEL. Mr. Speaker, I rise today in support of the Appropriations Committee recommendation to increase funding for the National Science Foundation (NSF). The increased appropriation includes additional funds for research in the social and behavioral sciences and more money for science education.

Today, more than ever before, we need reliable information about how our economy and society function. These are the topics addressed by the social and behavioral sciences. The social science research that is supported by the NSF includes studies on productivity, technology and organizational structure, saving behavior, the relationship between level of education and juvenile delinquency, and health and human behavior, among others.

One area of research on human behavior that I believe is particularly important is its relationship to health. We are currently spending enormous sums of money to improve the Nation's health, but we have not yet recognized that a major cause of bad health is not the failure of medical knowledge and technology but the perverseness of human behavior. Seven of the ten leading causes of death in this country are determined, in large part, by behavior that could be changed. Habits relating to diet, exercise, dental care, smoking, drinking, and drug use, to name a few, can be changed to improve the health of millions of Americans. We cannot afford to neglect the human factors that determine the Nation's health, productivity, or progress. The cost is too great.●

A POLITICAL SOLUTION IN NORTHERN IRELAND—ARE WE ANY CLOSER?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan 126-member Ad Hoc Congressional Committee for Irish Affairs I am deeply concerned about the ongoing political vacuum which exists in the six counties of British controlled Northern Ireland. From the outset—our committee has contended that the United States does have a role to play in helping to establish a lasting political solution in Northern Ireland.

It has been my view that the key to a solution in Northern Ireland rests in the fundamental premise that all parties to the problems in the north should be involved in trying to bring about a solution. However, in making this premise—I add the caveat that all parties involved must be committed to a peaceful political solution one where violence has no place.

In October the people of Northern Ireland will elect a new 78-seat assembly under the terms of the British Government's new governmental plan for Northern Ireland. While the British Government and especially its Secretary to Northern Ireland Mr. Prior are to be commended for embarking on an initiative—it is unfortunate that they did not use the occasion to develop a new and workable plan. The elected assembly idea is not new and has already failed—there is no indication that it will fare any better this time out.

It is vital that the base upon which negotiations have been started involving a solution in Northern Ireland go beyond the governmental realm. It is time for bold initiatives which acknowledge a role for all parties in Northern Ireland and which have a return to economic stability as a key element to any plan for a political solution in Northern Ireland.

At this point in the RECORD I wish to insert an article written by Prof. Paul Arthur of the Ulster Polytechnic in Northern Ireland who has written an analysis of current situations in Northern Ireland including his projection on the impact of the prior plan. His article "Wrong Road in Ulster" follows:

WRONG ROAD IN ULSTER

(By Paul Arthur)

BANGOR, NORTHERN IRELAND.—"I long for the time when I can go to the United States and say: 'Look at what we have accomplished. We've got politcal stability and put some money in.'" This is what James Prior, Britain's Northern Ireland Secretary, told a London newspaper in February. Mr. Prior has now carried this message to the United States. But is political stability any closer in Northern Ireland?

Mr. Prior inherited a tense security problem arising from the Irish Republican Army hunger strike, but he ended it successfully. There followed in November 1981 the assassination of the Rev. Robert Bradford, an Ulster Protestant member of the British Parliament, by the outlawed Provisional I.R.A. In retaliation the Rev. Ian Paisley formed a "Third Force," an unofficial militia of hard-line Protestants. Once again civil war became a real possibility in Ulster. But Mr. Prior proved unflappable and decisive in defusing a dangerous situation.

On the economic front, he has worked mightily but with limited success. In January he extracted an extra £90 million from the British Exchequer, but it has been only a drop in the ocean. "The Northern Ireland economy is not in recession," he conceded. "It is actively in decline." About 1 in 4 of the province's adult men are unemployed and the percentage for Roman Catholics is higher.

But while he can be given high marks for crisis management and praise for his efforts to help the economy, Mr. Prior has done little to achieve the more important goal of political stability.

Every British government to date has failed to achieve an internal political settlement in Northern Ireland because they cannot persuade the political leaders of the two-thirds Protestant majority to share power with the one-third Catholic minority. Mr. Prior hoped to succeed where others had failed by offering Northern Irelanders an elected assembly of Protestants and Catholics, a shot at real power over matters of great local concern that are now exclusively London's province. With these inducements he hoped to turn sectarian foes into allies.

The first stage of Mr. Prior's plan will be an election for a 78-seat assembly in October. Initially the assembly will only scrutinize the British Government's policies on Northern Ireland, but if there is enough agreement between the Nationalist Catholics, who identify with the Republic of Ireland and aspire to a united Ireland, and the Protestant Unionists, who staunchly support the link between Northern Ireland and Britain, then genuine authority will be given to the new assembly.

But Mr. Prior's proposals cannot and will not work. His plan is gravely flawed.

The British Government has quite correctly stated that the clash of identity and aspiration between Nationalists and Unionists goes to the heart of the problem. Recognition of the differing identities and aspirations should be the key elements on which a solution is based.

Ulster politicians are concerned with the fundamental problem of national allegiance and they will not set that concern aside to work together on economic or social issues. Only the nonsectarian Alliance Party, the fourth largest in the province, has shown any enthusiasm for Mr. Prior's proposals. Even a section of his Conservative Party mounted a filibuster against the bill in Parliament. Furthermore, an increasing number of critics believe that the whole exercise has deflected what appeared to be a promising effort to break down decades of suspicion between London and Dublin so they could work together on the problems of the North. Finally, the assembly idea may give a new lease on life to the I.R.A.'s political wing, Sinn Fein, which will now be able to contest the assembly elections on the platform that moderate nationalism has failed to obtain any real power for Nationalists.

So what of the future? Clearly the prospects of the proposed assembly offer little if any hope of stability in Northern Ireland and may indeed be an opportunity for a naked power play not only by the I.R.A. but also by extremists from Mr. Paisley's Democratic Unionist Party. It is worth recalling that in 1980 and again in 1981 the Irish and British Governments embarked on the development of better relations between the two countries and between Northern Ireland and the republic, and agreed on the need to further this relationship in the interests of peace and reconciliation. It is only through the development of this relationship that long-term peace and stability in Northern Ireland can be achieved. All parties to the issue—Dublin, London and Belfast—must eventually sit down and work together to achieve a solution.

(Paul Arthur is senior lecturer in politics in the Ulster Polytechnic in Northern Ireland and the author of two books on Northern Ireland, "The People's Democracy 1968-73" and "The Government and Politics of Northern Ireland.")●

1982 OBSERVANCE OF CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. DERWINSKI. Mr. Speaker, since July, a great deal of information has been reported on the 1982 Observance of Captive Nations Week. The thrust of the recent observance is well depicted by the following selected examples: The first is a Captive Nations Week Proclamation issued by Governor Carlos Romero-Barcelo of Puerto Rico; followed by a special feature carried in the June 11 News World in New York on the suppression that exists in the captive nations, featuring the activities of the Polish police in the Solidarity movement; and finally an article from the China Post of July 21, which reports on the "Freedom for Captive Peoples" rally held in Taipei, Taiwan:

OFFICE OF THE GOVERNOR,
San Juan, Puerto Rico, July 1982.

A MESSAGE FROM THE GOVERNOR OF PUERTO RICO

As United States citizens fully cognizant of the significance of Soviet interventionism, the people of Puerto Rico join our fellow American citizens and all other freedom-loving peoples of the world in observing Captive Nations Week 1982.

On our Caribbean island we are intensely aware of the menace of Soviet aggression, for agents of this totalitarian power have for over twenty years denied basic human liberties to our neighbors in Cuba, tens of thousands of whom have emigrated to Puerto Rico to escape tyranny. The Moscow-oriented government in Havana, meanwhile, has maneuvered continuously, employing tactics ranging from the hypocritical to the criminal, in an effort to separate Puerto Rico from the United States, despite the overwhelming opposition of our own people, as expressed by majorities consistently exceeding 90 percent in the elections held here every four years.

The people of Puerto Rico cherish our democratic way of life. We have witnessed in this region of the world how cynically and swiftly the enemies of freedom can impose subjugation in the guise of "liberation." And we are responding by moving steadily toward thwarting permanently the brutal designs of dictators, through the achievement of full and equal participation in shaping the destiny of the United States, the nation for which so many young Puerto Ricans have fought and died during this century.

This is the message we would share with the men and women who have been enslaved under Communist totalitarism: the people of Puerto Rico stand ready to join with all other American citizens in supporting the courageous struggle of the people in Captive Nations for deliverance from Soviet oppression.

Sincerely,

CARLOS ROMERO-BARCELÓ.

[From the News World, New York City, June 11, 1982]

POLISH POLICE INFILTRATED UNIONS

(In the last few months a number of refugees have arrived from Austria, among them Andrzej Cyran. Until May 1981 Cyran was the vice president of the Polish Free Trade Union in the region of Malopolska, with its headquarters in Krakow.

(The following interview was granted to Alexander Pruszynski, the publisher of the Polish North American Weekly—"Slowo-Solidarnosc" from Toronto.)

Q: How did you become involved in the Solidarity movement?

A: Even before the workers in Gdansk signed an agreement with the government, I started to organize free trade unions in my home city of Krakow in southern Poland. Together with my friend Krzysztof Palkowski, we helped create more interest in Solidarity for our city.

During the second part of August 1980 in the Lenin Steel Works on the outskirts of Krakow, a Steel Workers Committee was formed and together with our group we created the Inter-factory Committee to form new trade unions, which were formally initiated on the 15th of September.

The first decisive step I made on my behalf was a speech I gave at an open meeting of the Communist Party held at a place of business called Biprostal, where I was employed as an engineering consultant.

I criticized the communist system as a ridiculous medieval form of government. I then referred to a letter I had sent to Mr. Gierek [former president of Poland] in 1971. In this letter I told Mr. Gierek that the Polish state had to be transformed from the "dictatorship of the proletariat" to a national state with free trade unions with a limited role for the police and other oppressive forces.

The speech was met with a fantastic response from both the party members and the non-party members. Suddenly, in just a few hours I became a hero. But everyone was expecting the party to crush the union the next day with force and everything would be lost.

Those who agreed with my speech and wanted to do something contacted me. From this, a group formed with the desire to create a free trade union system in Poland.

On the 26th of August, I formally resigned from the existing trade unions and signed a document of access to the new unions, which did not yet exist. With this letter in my briefcase, I started to promote the new free and independent unions. I was invited to different enterprises (businesses) and there I explained to the people why we had to form such free unions.

Q: How did the security police react to the birth of Solidarity?

A: Each communist state is a totalitarian state which bases its existence on the use of force, especially from the police. In Poland the police are called "milicja"; its plainclothed or security forces are called "baspieka" or simply "SB."

From the very beginning, the SB made efforts to plant their men inside our union. Few people really know just how successful the SB was in this and how much they were able to manipulate Solidarity through their agents. It was difficult to speak of this problem in Poland, but today it is necessary to tell all the truth. Actually a lot of our activists, including myself, wanted to speak out a long time age.

The effort on the part of the security to infiltrate the new union was being made across Poland and on all levels of the union. We all know now of the success they had in such regions as Jastrzebie Zdroj, Bialystok and Krakow, where the first regional presidents were police agents.

The same took place in other regions, even in Warsaw and Gdansk. In spite of our efforts, of the first 17 members of our presidium [union governing body], at least four were SB agents. They were discovered later because of their actions, which brought tremendous, irreparable damages.

We have proof that the first wildcat strikes, organized against the direct orders of Solidarity headquarters in Nowy Sacz, were the work of the SB. These unauthorized strikes were conducted in coordination with members of the hard-line group of the Polish Communist Party leadership, such as Grabski, Olszowski and Zabinski.

Although the strikes in Nowy Sacz were against the orders of the regional Solidarity headquarters, they opened a series of wildcat strikes across the nation and helped disorganize the union. This disruption was obviously one of the goals of the SB.

Q: What other goals did the SB have in its campaign against the free trade union?

A: A second goal was to create an open confrontation between Solidarity and the party, led then by Mr. [Stanislaw] Kania. Such fighting would be used by the Soviets as an alibi to enter Poland with a "peaceful mission" of conciliating the two sides. The best example of such provocation, which by a miracle failed, took place in Bydgoszcz in March of 1981.

At that time the Politburo, the ruling organ of the party, had two channels of information, through the SB and through the local secretary of the party. If in a region those two channels were controlled by one person or one group, then the Politburo could be fooled in believing false information. Such a situation took place in Bydgoszcz.

A delegation of Solidarity was invited for talks to the City Hall. When they arrived, they were brutally beaten and removed. This action was witnessed by thousands of Solidarity members who were called to witness the talks.

Unfortunately for the SB, the members of Solidarity did not react violently [as the SB had hoped they would] when they saw their leaders carried out of the building bloodstained and nearly lifeless. The masses listened to their leaders and did not attack the party headquarters.

Any violent retaliation by Solidarity would have provoked fighting and a call for police reserves. The SB provocation failed, but they informed the Politburo that the incident was caused by Solidarity, that its union leader, Rulewski, had damaged his head by bumping it against the wall.

If the SB provocation had achieved its goal, there would have been little chance that the real cause of the riots would have come to light. There were more efforts to organize such provocations.

The third goal of the SB was to destroy the liberal wing of the party with Mr. Kania as its leader. The wing was a stumbling block for the conservatives and the SB. It had to be destroyed before a confrontation with Solidarity could be carried out.

To achieve this, various methods had been used, such as anti-liberal propaganda within the party bureaucracy. The situation of Mr. Kania was extremly critical. All the plenary meetings of the Central Community were called by his opposition and he never knew in advance if after the meeting he would still emerge as the first secretary.

The final removal of Mr. Kania from his post was a signal to all who understood the situation in the party that the moment of confrontation was coming. Before Mr. Kania was removed, some of his liberal friends such as Mr. Klasa were removed from their position or kicked out of the party as was Mr. Stefan Bratkowski, the leader of the Polish journalist union.

[From the China Post, July 21, 1982]

RALLY LARGEST OF ITS KIND HERE

Captive Nations Week activities have been taking place in the Republic of China since July 18 and will continue through July 24. One of the highlights of the activities took place yesterday as the "Freedom for Captive Peoples" rally was held in Tsoying, Kaohsiung. This was the largest rally of its kind in the history of the Captive Nations Week activities and the first to be held in southern Taiwan.

Captive Nations Week was first promulgated by an act of the United States Congress in 1959, as the West first became obvious of the threat imposed by the expansionist aims of the Communists.

Fifty-eight foreign guests were on hand in Tsoying yesterday, representing 25 nations in the rally which was attended by an estimated 60,000 people who gathered to show support for all those held captive behind the Iron and Bamboo Curtains of Communism.●

TENNESSEE-TOMBIGBEE WATERWAY

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. BEVILL. Mr. Speaker, the Tennessee-Tombigbee Waterway has been the most investigated and the most thoroughly studied public works project ever built in this country. In addition, it is the first major waterway built under the provisions of the Environmental Policy Act, insuring that it will not endanger our environment.

All of these investigations have yielded much beneficial information, showing that this will be a wise investment for our country. However, many charges which have been hurled against this waterway have been made either from a lack of knowledge about its extensive planning, its careful construction and its environmental safeguards, or they have been made with little regard for the truth.

The projected annual appropriations which will be needed in the next few years to finish work on the project are expected to decrease rapidly. By the end of this fiscal year, nearly 80 percent of the navigational features will have been completed. In fact, 83 percent of the funds already have been committed. I want to point out that if construction were halted, as some of the opponents of this project wish to happen, there would be no savings to the taxpayer. In fact, it would cost almost as much to stop work on this project as it would to complete it. And if the project were stopped, more than $100 million in annual benefits would be lost forever.

I was most distressed to read a statement recently published in the CONGRESSIONAL RECORD suggesting some impropriety by the Corps of Engineers and impuning the corps' integrity, because of a 2-year investigation which has been underway affecting one contract on the Tenn-Tom project. The investigation was initiated by the Army Audit Agency and has had the complete cooperation of the Army Corps of Engineers.

I feel it is very important that Members have the true facts in this matter, so I include the following letter I wrote to the Public Works and Transportation Committee regarding the investigation.

The Tennessee-Tombigbee Waterway is an important project which stands on its merits.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 13, 1982.

Hon. JAMES J. HOWARD,
Chairman, House Public Works and Transportation Committee, Washington, D.C.

DEAR JIM: I recently obtained a copy of a letter and accompanying press release, both dated August 3, 1982, from Congressman Robert W. Edgar to you, concerning an ongoing investigation of alleged fraud associated with one construction contract of the Tennessee-Tombigbee Waterway project (TTW).

Certain statements and implications of Mr. Edgar's letter are inaccurate and objectionable. For example, the fourth paragraph of that letter implies that the alleged fraud at issue here would have gone undiscovered without the intervention of the Federal Bureau of Investigation (FBI) and the Justice Department. In fact, the normal and comprehensive auditing mechanisms of the U.S. Army Audit Agency (AAA) discovered the allegedly fraudulent transactions at issue here over two years ago. Following its standard operating procedures, the AAA then invited the FBI to investigate for possible criminal charges; this led to a grand jury investigation. I have been assured that all relevant units of the Department of the Army, including the AAA and the Corps of Engineers' Nashville District Office, have cooperated with the U.S. Attorney, the grand jury, and the FBI to the maximum extent possible, ever since the AAA discovered these alleged irregularities.

To cite a second example, Mr. Edgar's letter and press release state that the Paul Boscoe Company was performing under a "cost plus" contract when the alleged fraud occurred. One might infer from this statement that the TTW is being constructed on a "cost plus" contractual basis; that is untrue. In fact, the Boscoe contract at issue here was a "firm fixed price" contract; however, a changed condition at the work site (soil conditions different from those anticipated) necessitated a "change order". That change order directed the contractor to proceed with his work on a reimbursable basis, and to keep detailed records of his increased expenses caused by the changed conditions and change order. Once the nature and scope of the changed conditions had been ascertained, the Government would negotiate with the contractor to agree on an equitable adjustment of the original contract. The instant dispute concerns the validity of those expenses which the contractor certified as arising from the change order. The point is that the contract at issue was a fixed price contract, not a "cost plus" contract as claimed in Mr. Edgar's letter.

Thirdly, Mr. Edgar's letter and press release substantially exagerate the amount of Government money which could have been fraudulently obtained in this situation; even assuming the worst. I have been advised that the total amount involved in the change order under discussion was $11 million; only some fraction thereof could have been obtained fraudulently. This fact contrasts sharply with the $18 million figure presented in Mr. Edgar's letter and press release.

Finally, and most importantly, I object to the following statement from Mr. Edgar's letter (repeated in the press release): "I believe this episode could have implications for the whole project and perhaps even for the whole Corps of Engineers program." That statement is unfair and illogical, and raises questions about the motivation underlying Mr. Edgar's letter and press release. The above-quoted statement implies that the U.S. Army Corps of Engineers and the entire TTW project are somehow tainted with fraud, simply because one contractor has been accused of fraudulent activities. That can only be described as a grossly improper attack on a highly reputable Federal agency and a vital national water resources development project.

Mr. Edgar's letter has exaggerated and misrepresented the facts concering one isolated investigation of alleged fraud involoving one construction contract. In fact, this case demonstrates that the Department of the Army's audit and investigatory functions can and do ferret out alleged abuses effectively, if and when said abuses occur.

The TTW is a very large-scale construction project, which has involved many hundreds of contracts and contractors, and thousands of employees of those contractors and subcontractors. One cannot really be surprised that one contractor has been accused of one irregularity, and that two of his employees have been indicted (only for perjury, thus far) during the eleven years of project construction to date. This record compares favorably with that of the great majority of large-scale construction projects.

While such an irregularity should be (and is being) taken seriously and investigated by the appropriate agents of the Executive and Judicial Branches, it certainly does not justify the charges and the allegations presented in Congressman Edgar's letter of August 3, 1982.

Finally, Mr. Chairman, if your Committee does pursue an investigation of this matter, I would strongly urge that the ongoing grand jury investigation be considered. The most important objective at this point should be the indictment of any and all persons (if any) who are guilty of fraud against the Government.

I would certainly hope that nothing we do would in any way impair the ongoing efforts of the grand jury of ascertaining guilty parties (if any) and sending those people to prison.

Whatever action you and your fine Committee take on Mr. Edgar's request will certainly have the support of myself and my Subcommittee.

Sincerely,

TOM BEVILL,
Chairman, Subcommittee on Energy and Water Development.●

A TRIBUTE TO TOM BARRETT BY HON. CHRIS SMITH OF NEW JERSEY, HON. MARK SILJANDER OF MICHIGAN, HON. BILL EMERSON OF MISSOURI, HON. DUNCAN HUNTER OF CALIFORNIA, HON. VIN WEBER OF MINNESOTA, HON. GREG CARMAN OF NEW YORK, HON. GEORGE WORTLEY OF NEW YORK, HON. FRANK WOLF OF VIRGINIA, AND HON. ALBERT LEE SMITH OF ALABAMA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. SMITH of New Jersey. Mr. Speaker, I rise this afternoon as spokesman of the Freshman Members' Bible Study to publicly thank Tom Barrett of the Christian Embassy for the outstanding teaching, leadership, and direction he has provided for our weekly Bible session.

In just a few days, Tom, joined by his wife Linda, also a Bible teacher on the Christian Embassy staff, will be leaving for graduate school to earn a master's degree in counseling psychology. This degree, combined with the master's he already holds in Scriptural studies, will undoubtedly enable him to better wed the two academic disciplines into an even more effective Christian ministry.

Mr. Speaker, my colleagues and I are real sad to see Tom go. I'm sure the Senators and staffers in his other studies feel the same way. We will miss him. All of us have profited much by his uncanny wisdom and penetrating knowledge of the Scriptures. Most of all, we have been impressed by the genuine character of his witness for our Lord, Jesus Christ. You see, Mr. Speaker, Tom Barrett practices what he preaches. He is a doer of the Word, not just a hearer. His example has been an inspiration and source of encouragement.

Mr. Speaker, Tom Barrett has worked hard to instill in us a thirst and appreciation for the Bible. He has exhorted us to more actively seek the Lord's will in our lives. He has encouraged us to pray more and read the Bible frequently and intelligently. Tom has also helped us understand more clearly how to claim the Lord's magnificent promises and how to "give thanks in all things" despite the circumstances. After all, the Bible tells us, "I can do all things through Christ who strengthens me . . . In Christ, we are more than conquerors."

Our weekly studies have been practical and relevant. Some of the topics we have explored with Scriptural insight included: Is Christ Nice or Necessary?; How To Deal With Pressure; Persevering Under Adversity; True Forgiveness; Maintaining Priorities in an Election Year; What is Faith: Putting on a New Self; and The Christian Walk.

Our weekly study sessions have truly been a time of spiritual refreshment, fellowship, and learning.●

AMENDMENTS TO THE 1939 SEED ACT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. FAZIO. Mr. Speaker, I have introduced in the House today a bill which I hope will ameliorate consequences of a recent decision by the U.S. Department of Agriculture to close, effective the beginning of the 1983 fiscal year, the Agricultural Marketing Service's four regional seed laboratories. These labs are charged with the enforcement of the requirements in the 1939 Federal Seed Act. The Department has determined that the functions of the regional laboratories may be safely consolidated into the AMS' Federal Seed Standardization Laboratory in Beltsville, Md. The Department has said that the closures will result in the savings of $600,000 a year and will cause a net loss of 17 jobs, though many of the jobs to be preserved will require transfer to Beltsville.

In response to various concerns expressed by the seed industry and knowledgeable members of the general public, the Department has modified its closure plan over the last several months. It has sought to insure that the single laboratory in Beltsville will not be overwhelmed with work and that the seed industry will not suffer inordinate delays while waiting for samples of seed to travel large distances for testing. We were particularly concerned about the closures of the Sacramento laboratory on the west coast, through which more seed is processed than through any other laboratory. In 1981, for example, 4,486 seed samples subject to the Federal Seed Act were handled in Sacramento.

versus 3,599 in New Jersey, 4,130 in Minnesota, and 2,340 in Alabama. Some 57 percent of all the vegetable seed imports were handled through the west coast laboratory, 84 percent of the service tests for imported seed, and 57 percent of the service tests for exported seed. With this volume occurring at a point 3,000 miles from Beltsville, Md., concern was obviously strong that the program consolidation did not result in missed plantings and higher costs—in one of the most time-sensitive and cost-sensitive steps in agriculture.

Therefore during a period of negotiations, when we were ably assisted by Mr. WHITTEN, chairman of the House Appropriations Subcommittee on Agriculture, the Department proposed various ways in which the seed laboratories' workload could be assigned elsewhere within the USDA. The Animal and Plant Health Inspection Service received responsibility for noxious weed testing, a function it could efficiently assume with existing personnel at ports of entry. The Department found and assured us that the awarding of certificates for the export of U.S. seed could be delegated to the States (to be supported with user fees) without any changes in statute. The remaining function of the laboratories—known as pure live seed random sampling—had to be performed at Beltsville, we were told. Subsequently, the APHIS was assigned live random sampling in its laboratory at New Brunswick, N.J.

The Department of Agriculture has assured us that these consolidations and changes will be carried out with absolutely no loss in time or efficiency. However, Mr. Speaker, its good intentions aside, the Department will not be able to eliminate entirely the prospect that the requirement for pure live sampling will not result in costly coast-to-coast shipment delays.

It happens also that pure live seed random sampling does not even appear to be necessary, at least in the minds of the USDA and the seed industry. Each State has its own seed standards, and in most cases they are higher than the Federal standards. In no case are they lower. Additionally, for its own marketing purposes the industry must generally provide quality and germination assurances that exceed even the highest of the State standards. The Federal requirements set forth in the 1939 Seed Act are obsolete and redundant.

The possible problem of shipping great distances combined with the lack of purpose for the Federal pure live sampling requirement lead us to conclude that it would be best to simply eliminate the requirement from the statute prior to October 1, if possible.

That is this bill's primary purpose, as far as I am concerned. In addition, however, it contains some other provisions to eliminate conflicts between Federal and State seed laws and to provide flexibility to the Secretary of Agriculture in administering the act.

The act specifies that certain grasses be classified as "fine textured" or "coarse kinds" and a list of the two categories is provided in the regulations. The development of new improved varieties of grass seed has blurred the distinction between the two lists. It has come to a point where it is impossible, from a legal standpoint, to differentiate between the two kinds. It is a very slow and difficult process to change the lists in the regulations as new varieties are developed and even more difficult to classify a new variety of grass into one of the categories.

The Association of American Seed Control Officials, made up of State representatives, has recommended elimination of the requirement to label according to these distinctions and has made the change in the "Recommended Uniform State Seed Laws." Several States have adopted this labeling change in their seed laws; others are only waiting for the Federal Seed Act to be changed in order to change their laws.

In an attempt to conform to two different sets of laws, a seedsman selling seeds in one of these States could be in violation of either the State or Federal law or both. A member of the seed industry selling seeds on a national level finds it difficult, if not impossible, as well as expensive to attempt to label his seeds in a different manner in the 50 States.

The second immediate need for changes in the FSA pertaining to lawn seed mixtures is to correct the labeling requirement to allow that only the month and year of the oldest germination test be required. Since the test must be completed within a 5-month period of the date of sale, listing only the oldest germination test date would automatically cover those varieties within the mixture which had been tested at a later date. There is a great deal of information required on a small package of seed and, since this is a control measure and does not afford the consumer additional protection, it would save time and money in printing the label and make it easier for the consumer to understand the information that is helpful.

There is also a need to provide the Secretary of Agriculture with authority to extend the 5-month period between the test date and date of sale when he finds that, under ordinary conditions of handling, certain kinds of seed will maintain its germination qualities over a longer period of time.

Mr. Speaker, it may seem late in the year to be introducing a bill. However, one of my Senators from California, Senator HAYAKAWA, has introduced a similar measure. With his help and the cooperation of the Agriculture Committees and the Congress as a whole, I am hopeful we can resolve this lingering problem by October, when the new fiscal year begins and the closure of the laboratories is completed. Thank you.●

SENIOR ENVIRONMENTAL EMPLOYMENT PROGRAM

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. UDALL. Mr. Speaker, I would like to take this opportunity to note the passage of an important amendment yesterday, offered by Representative COOPER EVANS of Iowa to the Environmental Research, Development, and Demonstration Act of 1983. The amendment authorized the senior environmental employment program. This program gets at the heart of two problems this Nation faces. First, we need more workers to enforce and research our environmental policies. This problem did not come with the Reagan administration. When the senior environmental employment program was first implemented in 1978, State and local environmental offices cited a need for more employees. I might add that this administration's view that there is no need for more environmental employees—in fact that fewer employees can do the job better—somewhat baffles me. Nevertheless, the job of protecting our environment is an enormous one and the use of senior employees can help get it done.

The second problem the senior environmental employment program can help to alleviate is the growing numbers of unemployed senior citizens. The population of people over the age of 65 is steadily rising. And so is poverty, boredom, and disillusionment among our Nation's elderly. This program is an excellent opportunity for senior citizens to pursue their interests in environmental protection and make a valuable contribution to this Nation's future.●

KEEP THE EMBARGO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. DERWINSKI. Mr. Speaker, the bill, H.R. 6838, which terminates certain export controls would directly influence U.S. technological involvement in the construction of the Soviet Union's natural gas pipeline. It has been held for consideration until after the upcoming recess.

Personally, I am pleased to see that this misdirected piece of legislation has been delayed. As a result of an ill-advised legislative effort, this bill was reported out of the full Foreign Affairs Committee without the benefit of thorough debate on the foreign policy impact that could result from its passage.

Therefore, I was especially pleased to note that the distinguished columnist, William Safire, gives very detailed arguments on the possible repercussion on the use of our technology in the Soviet pipeline construction in his column which appeared in the August 17 Chicago Tribune.

KEEP THE EMBARGO

(By William Safire)

Here are seven aguments advanced by Europeans miffed at our refusal to help build their Siberian gas pipeline, followed by short doses of realism that have escaped U.S. congressional doves:

The gas pipeline is a private business deal that should not be blocked by cold war politics.

Nonsense: West German Chancellor Helmut Schmidt, in the twilight of his power, is making this last-ditch attempt to impose the dead hand of detente on the East-West future. When Russians lose their capacity to export oil in a few years, they will need a new source of hard currency to finance purchases from the West. The Soviet-European pipeline deal would provide it more than $10 billion a year. Schmidt's West German Socialists delude themselves that growing East-West trade will somehow make possible the reunification of Germany.

Americans should have told us long ago that they opposed this deal—now it's too late.

Our displeasure was made known over a year ago at the Ottawa summit meeting and followed by a mission to Europe to dissuade the West Germans; these repeated warnings were treated with contempt. Finally, President Reagan publicly warned that unless the crackdown in Poland ended, "further steps" would be taken—but the Europeans didn't believe him.

America's concern that this deal will make Europe subject to Soviet blackmail is misplaced—it will supply only 5 percent of total energy needs.

Even the West Germans admit that the Russians will supply one-third of their natural gas in this deal; within the decade, that dependency will probably jump to one-half, concentrated in the home heating market. Only detente politics dictates this dependency: the needed gas could be developed from the North Sea instead.

If you really wanted to punish Moscow, you would embargo your grain—why ask Europe to make a sacrifice America won't make?

When America embargoed grain after the Soviet invasion of Afghanistan, Europe undercut that pressure of quadrupling its annual grain sales to the Soviet Union to two million tons. Europe profiteered on our embargo. When Schmidt made the grain-pipeline connection this spring, I asked the question that punctures that balloon: If America did embargo grain to help ease the pressure on Poland, would Europe drop the pipeline? The answer was a horrified "No!"

America has no right to apply extraterritoriality to deals made by U.S. companies—if you want to do business in Europe, selling your licenses to our companies, you must abide by our laws.

That charge turns truth on its head: The contracts made by U.S. companies with European concerns contain clauses that permit cancellation if the U.S. government decides the deal is against our national interest. The Europeans are now threatening to breach these contracts, in effect ordering their companies to expropriate the U.S. technology on pipeline compressors. That would be a highly unfriendly act by the Europeans, demanding retaliation. Nor are we acting ex post facto—the issue has to do with the transshipment of our technology, which has not yet taken place.

By denying the use of American technology, the U.S. may delay the pipeline for a couple of years—but won't stop it.

If Schmidt and French President Francois Mitterrand are so committed to making the biggest East-West trade deal in history that they are willing to risk a serious breach in the Atlantic Alliance, that is their business: But the U.S. is not obligated to assist them in what we believe to be a fundamental mistake. As European nations are sovereign, so is the U.S.; and a two-year delay in the flow of hard currency to the Russians would be salutory.

America is suffering a public relations defeat, alienating its allies without stopping the pipeline.

The point of having an alliance is not merely to have an alliance—it is to act together in a common purpose. The purpose of NATO, for example, is to deter the Soviet Union from doing in West Germany what it has done in Afghanistan and Poland. If the West Germans consider it more important to strengthen their ties with the Russians than to maintain their ties with the Americans, then the "alliance" has become a hollow shell and we would do well to so recognize it.

A total of 350,000 U.S. servicemen are stationed in Europe to defend it from Soviet aggression. We have a right to object to actions by misguided allies that add to the power of our common adversary.

If these serious objections are derided by foreign ministers who bluster about "divorce" and threaten to use our technology against our will, Europeans now taking us for granted may find themselves with a fine gas pipeline to the East and no umbilical cord to the West.●

BALANCED BUDGET

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. COLLINS of Texas. Mr. Speaker, there is a pressing need to pass the balanced-budget amendment. We have a balanced budget in our constitution in Texas. It applies to the State of Texas, it applies to the city of Dallas, it applies to the county of Dallas. All of Texas must operate on a balanced budget and the system works.

The big difficulty is that those in political life have pressures to keep spending and spending. Under the balanced budget we have alternatives of having to reduce here or reduce there as you cannot spend for everything.

The Dallas Morning News writes one of the greatest editorial pages in America. They had a very sound editorial on balanced budget. They asked a good question about balanced budget. "Do you have a better idea?" That is what it all boils down to, because inflation is moving fast. Taxes are escalating, interest rates will go even higher. The answer is the balanced-budget amendment.

Remember back in 1968; the national budget was $100 billion under Lyndon Johnson. National budget was $298 billion under Ford in 1976. But right now we are talking about Congress spending $770 billion or more this year. That means that the budget went up $200 billion in 8 years but it has gone up $500 billion in 6 years. The only way that we can establish fiscal responsibility is with a mandated balanced budget.

You will be interested in the editorial from the Dallas Morning News.

BUDGET AMENDMENT: GOT A BETTER IDEA?

David Stockman's interesting essay on the balanced-budget amendment, published on the Viewpoints page last Friday, underlined several notable truths about the spending addiction that has called it forth.

The federal government's share of the total wealth produced by the nation in a year, the gross national product, has increased by a third in just 15 years.

And the addiction is even worse in other industrial nations that have a welfare state. The 10 Common Market economies now turn over half the produced wealth to government every year. On both sides of the Atlantic, the trend climbs toward even greater shares for government.

Meanwhile, the welfare-state mentality continues to increase the numbers getting money in relation to the numbers working to earn the money at productive jobs. In 1950, Stockman shows, there were five people working in private sector jobs for every one getting a transfer payment from the government. Last year, the proportion was 1.3 to 1.

What's more, there is what Stockman calls "asymmetry" between the interest group receiving payments and subsidies and the mass of working taxpayers. In plain English, what he means is that for each payment, the few getting it will fight harder to keep it than the many who pay taxes will fight to stop it.

For example, he cites dairy subsidies. They amount to $7,000 per dairy producer, but they cost the average taxpayer only about $18 a year. Obviously, a dairy producer is much more likely to give his time and money to a lobbying fight to keep the subsidies than John Q. Taxpayer is to get the subsidies cut.

Multiply that situation by the hundreds, thousands, of programs that hand out the taxpayers' money. You can easily see why Congress, for all its brave talk about economy, rarely reduces any spending program.

There are plenty of arguments against the amendment. But there aren't plenty of alternatives.

It is obvious that we cannot go on as we are going. That way lies certain calamity. But none of the critics has produced any other way to get the federal government to budget as well as does a prudent household.

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a well-managed business, a fiscally responsible state.

What we've heard so far is criticism. What we'd like to hear is a better idea for doing what clearly has to be done.●

EXPLANATION OF VOTES ON AUGUST 17, 1982

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. WILLIAMS of Montana. Mr. Speaker, I was necessarily absent from the Chamber on official business in order to honor a long-standing commitment to meet with a group of my constituents in Montana. There were a number of recorded votes during the time I was absent and I want to make my position known on those measures considered by the House.

On H.R. 1489, Puerto Rican passenger service, rollcall No. 281, I would have voted "yea."

On H.R. 5618, Organic Farming Act, rollcall No. 282, I would, as a cosponsor of the bill, have voted "yea."

On H.R. 6323, EPA research authorization, rollcall No. 285, I would have voted "yea" on final passage.

On the amendments to the EPA research authorization, I would have voted "yea" on rollcall No. 283 to amend the amendment in the nature of a substitute and would have voted "yea" on rollcall No. 284 to adopt the amendment on the nature of a substitute.

On H.R. 6324, NOAA authorization, rollcall No. 286, I would have voted "yea." On that bill, I would have supported the amendment agreed to by a voice vote that established an objective procedure for opening and closing weather stations and for consulting local officials.

On H.R. 6955, budget reconciliation, rollcall No. 287, I would have voted "yea" to send the bill back to conference to delete the congressional pay raise.

On H.R. 6530, Mount St. Helens volcanic area, rollcall No. 288, I would have voted "yea" on agreeing to the conference report.●

MRS. PATTON SERVED LONGEST ON HILL

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. FAUNTROY. Mr. Speaker, from time to time I have the privilege of knowing men and women who are described as senior citizens because they have been blessed to live a certain number of years, yet by their activity and their spirit they seem to have found the fountain of youth, for their age is measured by the temper of their will, by their hope, and by their faith.

One such person, who many of you may already know, is Mrs. Alma Patton. On Friday, July 30, 1982, Mrs. Patton retired as manager of the Dirksen Senate Branch of Western Union. She is the person you have come to rely on in getting out those last minute messages to your constituents.

Mrs. Patton has seen many a Congressman come and go during her 54 years of service on the Hill and in fact has been in the Congressional Telephone Directory longer than any employee on the Hill.

I think we all owe Mrs. Patton a thank you for her dedicated service, for I am sure that you will all agree that she exemplifies the American ideals of determination, hard work, loyalty, and compassion—qualities which have built our Nation and continue to make us great.●

AMERICAN-FLAG PASSENGER VESSELS SAIL AGAIN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. ANDERSON. Mr. Speaker, Friday of this week, August 20, ceremonies will be held in Los Angeles welcoming the first American-flag passenger cruise ship to dock in Los Angeles Harbor in over 5 years. An American-flag passenger ship docking in Los Angeles 20 years ago would have warranted absolutely no attention. In the late 1950's there were 15 passenger vessels flying the American flag, directly employing 10,000 American seafarers. And there were about 25,000 shoreside jobs in shipbuilding and repair, tourism and support industries that depended on this segment of the American maritime industry. But, that was 20-odd years ago.

In the intervening years, we have seen the American-flag passenger industry in a steady decline. This decline was caused by the terrific advances made in air traffic which took away passengers from vessels plying normal commercial routes, and heavy competition from less expensive foreign-flag vessels. In 1978 the last two all-passenger vessels flying the American flag were retired. Although for the last 5 years we have had combination cargo-passenger vessels and freighters carrying passengers under the U.S. flag, we have not seen the true all-passenger vessel, stately and majestic, plying the waters under the Stars and Stripes.

But I am happy to say that now this has changed. The ceremonies this Friday welcoming the SS *Independence* to the L.A. Harbor mark a limited, but nonetheless significant, revival of the American-flag passenger trade. The *Independence* and her sister ship, the SS *Constitution*, are operated by the American Hawaii Cruises. The *Independence* began operating in the Hawaii interisland trade in June of 1980, and proved to be so successful that the *Constitution* was placed under the U.S. flag earlier this year. Both of these ships are crewed by members of the Seafarer's International Union.

I am pleased to report, Mr. Speaker, that the rebirth of the American-flag passenger cruise industry is a good example of what labor, business, and Government can achieve when they act together in concert. I am indeed proud of the part that I played in obtaining approval from Congress in 1979 to recommission the 30,000-ton passenger liner *Independence* as a U.S.-flag vessel. And I am proud that this enterprise is proving successful, because that equates to American profits, American jobs, and a broader American tax base. That is surely something which we can all applaud, and it will indeed be a thrill to see a mighty passenger vessel steaming into the Los Angeles Harbor carrying the U.S. flag proudly on its stern.●

"A HANDGUN DEATH TOLL"

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. LEHMAN. Mr. Speaker, the Florida Coalition To Halt Handgun Crime has recently released the tragic statistics for the month of June on south Florida's handgun victims. Ralph Renick, vice president and news director of WTVJ in Miami, presented an editorial about these figures and called on our local county commissions to enact handgun legislation.

I am including Mr. Renick's editorial in the RECORD and I commend him for bringing these senseless killings to the attention of television viewers in south Florida.

With more and more local governments taking the initiative in the struggle to curb handgun violence, it is clear that the American people favor stronger handgun control legislation. I hope that my colleagues in the Congress will be encouraged by this trend and act soon to pass Federal legislation.

The editorial follows:

[Broadcast Tuesday, July 27, 1982]

A HANDGUN DEATH TOLL

The Dade County Association of Chiefs of Police is for it . . . the Society of Former F.B.I. Agents supports it . . . the North Miami City Council backs it . . . the American Jewish Congress and Catholic Archbishop Edward McCarthy favors it . . . the "it" being a proposed ordinance by the Florida Coalition to Halt Handgun Crime.

In April, the Coalition presented its proposed law to the Dade and Broward County Commissions. It's three months later . . . neither commission has come close to considering the seven gun control recommendations.

Today the Coalition released the handgun death toll for the month of June. 30 people died by handgun bullets in Dade and 21 had their lives ended by handguns in Broward. While you look at the names and ages of the 51 victims, we'll highlight verbally some of the circumstances in these deaths.

VIDEOTAPE

Dade handgun death toll in June—30

Jose Andujar	37
Pablo Aviles	20
William Banks	32
Catherine Bleich	14
Oswyn Boyd	26
Keith Brown	17
Juan Jose Bultron	26
Celedonia Cordero	32
Richard Cunningham	22
Barbara Farrell	52
Ronnie Ferguson	18
Janet Gayzel	22
Carlos Hess	53
Jose Ioo	57
Alfredo Lorenzo	36
Grisel Lorenzo	27
Charles Mills	25
German Mitat	38
Ernesto Perez	35
Donald Phillip	26
Jorge Pujol	19
Freddy Ramirez	20
Sara Rey	31
Pedro Rodriguez	35
Letitia Shannon	28
Theotis Sharpe	26
Miguel Suara	23
Percival Wright	35
Clara Zaballa	50
Humberto Zuniga	17

Broward Handgun Death Toll in June—21

Alvin Austin	30
Patricia Daniels	36
Robert Daniels	46
Raymond Dunlop	70
Sharon Evers	35
Ira Goodman	31
William Hall	53
John Hofen	64
Thomas Hosty	44
Monte Klein	33
Paul Neal	67
Byron O'Dena	40
Monica Porth	20
Angel Sarduy	35
Steve Seidel	21
Charles Sherrard	54
Justin Smollin	16
Michael Sparber	37
Shellie Summers	48
John Vissing	65
Leonard Walls	29

Total Dade and Broward handgun deaths Jan. 1 through June 30: 334. Dade, 222; Broward, 112.

AUDIO

14-year-old Cathy Bleich of Miami took her father's handgun from his automobile and killed herself. She and her brother were alleged to be victims of child abuse. She had a high I.Q. and played in her school band.

18-year-old Ronnie Ferguson of North Dade was killed by a neighbor after Ferguson complained of clippings from a hedge falling into his yard.

26-year-old Juan Bultron of Miami was driving along Northwest 79th Street when a passenger in another car pulled a handgun and killed Bultron instantly.

35-year-old Pedro Gonzalez died at the wheel of his truck in Hialeah . . . shot by someone who had pulled up in front of him.

This brings the number of handgun deaths in Dade and Broward for the first half of 1982 to 334. Three-hundred-and-thirty-four . . . that's more than the handgun deaths in the entire year of 1979 in the following countries combined . . . Great Britain . . . Switzerland . . . Canada . . . Israel . . . Sweden . . . and West Germany . . . more in the first half of this year in Dade and Broward then those six countries combined in all of 1979.

Dade and Broward County Commissions . . . are you listening or even caring?●

BALANCED BUDGET FLIMFLAM

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. OBEY. Mr. Speaker, recently, we have witnessed the spectacle of an administration which has asked the Congress to pass the largest deficit in history engaging in a diversionary operation to take people's attention away from the ludicrous nature of these deficits by posing as the champions of a constitutional amendment to balance the budget.

The budget should be balanced in years of full employment in order to pay back Treasury borrowing that occurs at other times. But the constitutional amendment sham being enticingly dangled in front of the American public today is a prescription for making recessions deeper and longer and more painful and it is a prescription for minority rule—the very antithesis of the constitutional principle of majority rule built into our system by our Founding Fathers.

I am inserting in the RECORD at this time two newspaper editorials from my home State—one from a traditionally Republican newspaper, and the other from a usually Democratic newspaper. I am also inserting three excellent articles by Tom Wicker, David Broder, and James Kilpatrick, which put into perspective the sham game being played by this administration and many people in this Congress as well.

I also invite Members who are interested in a balanced budget to quit posing about actions they will take 6 years from now to balance the budget and start addressing the need to get today's budget deficits under control now.

The articles follow:

LAW TO BALANCE BUDGET BORDERS ON RIDICULOUS

Two years ago, President Reagan said his economic programs would balance the federal budget by 1984, maybe 1983.

Now, in the wake of approval of a 1983 fiscal budget calling for a deficit of more than $100 billion and smaller but still immense overages down the line, Reagan has called for a constitutional amendment to require a balanced budget.

With all due respect to the basic belief that budget deficits are bad for the economy and that their elimination would have an effect on both interest rates and inflation, the idea that this can be achieved through a constitutional amendment borders on the preposterous.

Indeed, even the proposal under debate in the senate allows a loophole through which the deficit ban could be temporarily lifted by a three-fifths vote of Congress or in wartime.

If Reagan really believes the budget can be balanced by act of law, why doesn't he just forgo the next request to increase the national debt limit? Indeed, if he merely vetoes every objectionable spending bill, it will take a two-thirds, rather than a three-fifths, majority vote of Congress to defy his will.

But it seems obvious that Reagan is trying to divert attention from his budget deficit by wrapping the idea in the constitution and ceremoniously embracing it. It will be an argument to use against Democratic critics who recall his promise in the November elections.

All this is not to say that the deficits are Reagan's fault. As he has noted, there have been deficits in 21 of the last 22 years, some of which were pretty good economically. And a case can be made stricter adherence to and broader acceptance of his supply side theory would have brought us closer to a balanced budget at this time.

But the current situation seems to demand a continuing effort by the administration and Congress to determine where economies in the subsequent budget years can be made.

Wasting time on the constitutional amendment can only divert the president and the lawmakers from this responsible course of action.

[From the Milwaukee Journal, Aug. 7, 1982]

DECEPTIVE "APPLE PIE" AMENDMENT

"It's quite hard to explain why you are not for motherhood, or low interest rates or a balanced budget."—Sen. John Chafee (R-R.I.)

Chafee's wry comment probably explains why many senators voted for the "budget balancing" constitutional amendment in spite of the serious damage that it could do to the orderly processes of government.

Commendably, Chafee chose not to join the stampede. We regret that Wisconsin's Sens. William Proxmire and Robert Kasten didn't show comparable courage.

On the surface, a vote for the amendment was like a vote for apple pie and the Fourth of July; while a vote against it—even for the soundest of reasons—might look too much like a vote for big spending.

Actually, the amendment has no bearing whatever on the mind-numbing deficits that loom over the next few years. If the House quickly follows the Senate's lead and adopts the measure, it still will have to go through a long ratification and implementation process before being put into effect.

Even for the long run, the measure's impact on deficits is somewhat debatable. The amendment apparently would make it harder for Congress to adopt an unbalanced budget and harder to raise the federal debt ceiling. Three-fifths of the membership of both houses would have to approve, except in wartime. But the measure would not prevent economic recessions, which are one of the main causes of deficits. On the contrary, by limiting the government's policy options, the amendment might make recessions more likely.

Some advocates of the amendment argue that it is a necessary goad to the lawmakers. "We don't have the appetite to limit ourselves," says Sen. John East (R-N.C.). That problem can be remedied at the ballot box. Tying the hands of future Congresses isn't the answer.

Although today's record deficits are cause for genuine concern and appropriate action, deficits are not always bad. Economic depressions or other emergencies can make it temporarily necessary to spend money more than taxpayers can afford to.

The constitutional amendment presents two other serious problems. First, it would clutter the Constitution with what is at best a legislative rule. That's like drawing whiskers on the Mona Lisa. The Constitution is an elegantly simple document that should not be altered except for compelling reasons. Second, the amendment would install minority rule, allowing 41 of the 100 senators or 175 of the 435 representatives to dictate the terms of the federal budget. That is intolerable in a country committed to democratic government.

[From the New York Times]

THE BIGGEST HOAX

(By Tom Wicker)

David Brinkley recently posed this question to his television audience: Has there ever been a bigger hoax in Washington than the so-called "balanced budget amendment" supported by the Reagan Administration?

After President Reagan's latest news conference, the answer clearly is "yes." The biggest hoax in memory is Mr. Reagan's effort to cover up his own unmatched performance as a deficit spender by plugging that illusory amendment. At best, it could have no effect on the budget for several years—and that not necessarily good—while the Reagan deficits are here, now, huge, growing and unnecessary.

The President said that these deficits "I don't think can be laid at an individual's door"—although he never hesitated to lay earlier deficits at Jimmy Carter's door. As for those projected during his Administration, there's one easily identifiable individual who proposed and pushed through Congress a three-year $750 billion tax cut, who scheduled 7 percent annual increases in real military spending, and who supported a Federal Reserve monetary policy to slow inflation that also induced recession and now inhibits recovery.

These are the primary causes of the deficits now impending, and that individual is Ronald Reagan. If he's not responsible for those deficits, who is? The Democrats? Even if they still controlled Congress, they could have made all the spending cuts Mr. Reagan originally asked and still not have reduced the projected deficits significantly.

Just this week, the Congressional Budget Office—so far a more reliable prognosticator than the Reagan White House—estimated that the deficits in each of the next three years would range from $140 billion to $160 billion, even after approval of the proposed $99 billion tax increase for the same years. Without a shred of evidence other than voodoo throbbings, the White House pronounced this "too pessimistic."

Not according to chairman Paul Volcker of the Federal Reserve Board, who said the C.B.O. projections "came as no surprise to us." He said there was "a lot more to be done"—both spending cuts and tax increases—to bring down the deficits and permit interest rates to decline and the economy to expand.

But what is Mr. Reagan doing? He is proposing to renege on (he calls it "flexibility") the budget agreement he had reached with Senate Republican leaders, in which they settled upon military spending of $214 billion for 1983, $243 billion for 1984 and $279 billion for 1985—hardly small change. The President now says he will propose higher military spending for 1984 and 1985, because—as a Defense Department official put it—"Cap [Weinberger] wants everything he can get his hands on."

At his news conference, Mr. Reagan insisted he would nevertheless keep his 1984 and 1985 budget requests within the overall total agreed upon with the Senate. That means the military increases would have to be taken out of non-military spending, no doubt laying added burdens on the poor.

Even so, the President's decision to give Cap everything he wants damages the economic outlook for at least three reasons:

Depending on what non-military programs are cut, the shift to military spending would reduce consumer purchasing power, thus further hindering recovery.

Military spending contributes little to economic growth and is inflationary in that it makes a high demand on skilled manpower and scarce materials, driving up their costs.

By reneging on a major part of the budget agreement, Mr. Reagan is bound to have created doubts that he and/or Congress will stick to the rest of it.

Ironically, Mr. Reagan himself pointed to the importance of creating "the psychological effect that would indicate that the Government is really determined to . . . have some real fiscal integrity. . . ." But his actions on his own budgets are likely to speak louder than his words on a balanced budget amendment.

Besides, chairman Pete Domenici of the Budget Committee said that increases in proposed military spending would be "unreasonable and unjustified." Yet Mr. Reagan continues to portray himself as the champion of reduced spending and balanced budgets, and his discredited economic "program" as the only proper way of "working our way back to prosperity."

Congress, of course, need not appropriate the additional military funds for 1984 and 1985, and it probably won't—particularly if the November election results can be read as a rebuke to the Reagan Administration.

That doesn't alter the fact—or its "psychological effect"—that while advocating a constitutional requirement for balanced budgets in the future, Mr. Reagan is willing to undercut the agreement with Congress by which he supposedly is trying to reach one now.

[FROM THE MILWAUKEE JOURNAL, AUG. 10, 1982]

COWARDS IN CONGRESS

(By David S. Broder)

After summarizing the copious arguments for the ratification of the Constitution in the last of the Federalist papers, Alexander Hamilton gave vent, briefly, to the emotions he felt as he contemplated the choice before the infant republic:

"The establishment of a Constitution, in a time of profound peace, by the voluntary consent of a whole people, is a prodigy, to the completion of which I look forward with trembling anxiety."

Last week, the Senate of the United States voted for an amendment to the Constitution to require a balanced budget, except in time of war or by vote of 60 percent of both houses of Congress.

This is what a US Sen. John G. Tower of Texas offered as a rationale for his vote:

"I think that the whole exercise on this constitutional amendment is the ultimate confession of failure on the part of the Congress of the United States. We are unable to discipline ourselves to do what we should do and, therefore, we feel constrained to try to institutionalize that discipline in the Constitution.

"This is a matter that should not really be in the fundamental law of this land . . . Because I think it should be submitted to . . . a referendum and because I think there should be a great national debate on this issue, I intend to vote to report the amendment. However . . . I would be deeply delighted to testify against its ratification."

What a commentary on the condition of public life and leadership in this republic.

When but recently liberated from colonial status, men of influence were prepared to risk "their lives, their fortunes and their sacred honor" for the ratification of the charter of this nation's being.

Today, this rich and powerful nation is governed by people who are prepared—against their better judgment—to forward, for inclusion in that charter, any kind of simple-minded scheme they think commands a popular majority.

The point is not to condemn Tower. His own words do that. The rationalization he offered was, in fact, adopted by the leaders of the Senate. Majority Leader Howard H. Baker, Jr., of Tennessee used it to solicit votes. Minority Leader Robert C. Byrd of West Virginia employed it in explanation of his own tortured vote.

Not to worry, they said. It's just a harmless little old constitutional amendment, which happens to shackle the national government and prevents it from conducting a national economic policy, which transfers to a minority of 40 percent the power to set fiscal policy, meaning, among other things, the capacity of this country to defend itself and to secure the general welfare—the fundamental purposes of creating the national government.

But, they said, the House may not pass it. Legislatures may not ratify it.

Don't you believe it. Cowardice is contagious. Already, one hears House leaders saying it might be smart to let the members vote for the amendment, in a slightly different form, to "protect themselves" for election purposes, and then hope that it dies in a House-Senate conference committee.

But the conferees will not withstand the heat—nor will state legislators—unless someone decides to stop the buck-passing and vote on conviction. In the Federalist papers, Hamilton explained that the procedure for amending the Constitution was made difficult so that "the judgments of many must unite in the work (and) experience must guide their labor."

Hamilton did not reckon with the kind of leaders we have today, who are all too eager to suspend judgment, ignore experience and avoid responsibility.

It is a different kind of "trembling anxiety" one feels when the Constitution falls into the hands of such people.

[From the St. Paul Pioneer Press, Aug. 16, 1982]

WRONG WAY TO BALANCE FEDERAL BUDGET

(By James Kilpatrick)

WASHINGTON.—The proposed constitutional amendment to compel a balanced federal budget offers a regrettable but familiar combination often seen on Capitol Hill. The resolution is a mishmash of good intentions and bad law.

Since the days of John Randolph of Roanoke, who defined pay-as-you-go as "the philosopher's stone" of wise government, almost everyone has proclaimed the virtues of a balanced budget. This is the ideal. There is nothing wrong with the ideal. The problem lies only with members of Congress who have despoiled it and with the people who have voted these members into office. Barring periods of true national emergency, of course our government should spend no more than it takes in.

There is much to be said, also, for the argument that the only way to restrain our irresponsible lawmakers, who have spent us into a trillion-dollar debt, is to deny them the money in the first place. The theory is that they can't spend what they don't have. It is supposed that the constitutional amendment would provide precisely such a restraint. At the very least, the amendment would raise a symbol that honorable men could repair to.

But for the past 10 years, we have heard some of these same arguments about the ill-fated ERA amendment. It would have provided that "equality of rights under the law" shall not be abridged on account of sex. The ERA never would have accomplished what its proponents believed it would have accomplished; and the notion that constitutional amendments are "symbols" is a notion that ought to be abandoned.

The resolution adopted by the Senate on Aug. 4 is flawed in a dozen ways. It undertakes to write statutory law into the Constitution, and this always is a bad business. In Section 2 of the amendment, it is proposed to limit the rate of increase in annual receipts, but the formula by which this would be fixed is a formula composed of algebra and moonbeams.

The Congress and the president, says this amendment, shall ensure that actual outlays do not exceed a statement of proposed outlays, but there is no way under moon or sun that this provision could be enforced. It is generally forgotten, but we already have a law to this identical effect. Under Section 7 of Public Law 95-435, adopted in October 1978, it is specifically provided that, "Beginning with Fiscal Year 1981, the total budget outlays of the federal government shall not exceed its receipts." This already is a part of the supreme law of the land, and no one has paid a particle of attention to it.

Extended analysis would be a profitless exercise. The political and parliamentary situation in the House suggests that the amendment is dead for this session. Like T. S. Eliot's famous patient, the Senate's amendment now lies etherized upon a table. It is sleeping in the House subcommittee on monopolies and commercial law. This is Chairman Peter Rodino's personal operating room, and Dr. Rodino is a skilled operator.

It is conceivable, though barely conceivable, that the chairman could set aside his own opposition to the amendment and in the name of democracy let the resolution move toward floor consideration. The alternative is for the resolution to be bombed out of its unlikely abode by a petition for discharge. Such a petition requires 218 signatures, and these will be hard to come by.

Suppose the 218 signatures were obtained. Seven legislative days must then elapse. A resolution thus press-ganged then may be called up on the floor, but only on the second or fourth Mondays of each month. Aug. 16 is out; the House will be in recess on Aug. 30; Sept. 13 is a possibility, but only if the seven-day requirement has been met; Sept. 27 is Yom Kippur, when nobody's home; the Congress is expected to adjourn well before Oct. 11, which happens also to be Columbus Day.

If we want balanced budgets, the answer lies not in the straw fetters of this amendment, but in the election of responsible representatives. The whole House and a third of the Senate will be up for election in November. If the deficits get worse, let us blame them—but let us blame ourselves too.●

SECURITY AND STRATEGY IN NORTHEAST ASIA

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. BONKER. Mr. Speaker, on July 28, Mr. Lee Jong Chang, the majority leader of the Korean National Assembly, spoke at a symposium on security and strategy in northeast Asia. This meeting was sponsored by the Center for Strategic and International Studies at Georgetown University and the Institute of Foreign Affairs and National Security of the Republic of Korea.

In discussing the efforts to enhance security in Asia and the Pacific region, Mr. Lee makes certain interesting observations which I would like to commend to the attention of my distinguished colleagues.

The remarks of Mr. Lee follow:

Mr. Chairman, Members of the U.S. Congress and the Korean National Assembly, distinguished representatives of the U.S. Government, Ladies and Gentlemen:

As Co-Chairman of the First Annual Korea-U.S. Symposium on Security and Strategy in Northeast Asia, it is indeed an honor and a privilege to have this opportunity to share with you our mutual concern and interest in the theme of this important conference. I feel that today's symposium will provide a significant opportunity for those assembled here to examine the entire Northeast Asian situation of the 80's.

Following the Second World War, with increasing tension between East and West, the communists attempted to expand their sphere of influence by military force and intervention in the affairs of many Asian nations, contrary to the type of activity in which they engaged in western Europe. There are numerous examples of this including the establishment of the People's Republic of China as a result of internal conflict, the outbreak of the Korean War, the communist overthrow of Vietnam in the early 70's and the communization of the Indochinese peninsula.

In Europe, the attainment of political and social stability and economic prosperity, as well as the re-attainment of a military balance, combined to function as a preventive element in avoiding war. This condition also made it possible to conduct various forms of negotiations between the two blocks.

In Asia, however, political instability, economic underdevelopment, and social disorder eventually brought on war, and consequently encouraged expansionism by the communists in the region.

To put it another way, in Europe the communists realized that the values to be preserved by maintaining the peace were far too important to risk destroying them by resorting to war. In Asia, however, it can be said that wars occurred in most cases because of the vague expectation that war, although it causes ruin, might create many new values which would be more beneficial to communism than those which existed before.

From the latter part of the 1970's, however, the people of Asia gradually began to recognize that this was a misconception. In other words, it has been demonstrated that a society that is newly constructed after total destruction can not, under any circumstances, guarantee human dignity, political equality or economic progress, but can only result in endless oppression and the degradation of human life.

Together with this deep awakening of the peoples of Asia, the economic development of Japan gave great incentive to the region. Stimulated by Japanese economic progress, the developing countries of Asia are now making impressive progress in their own economic development plans.

As we emerge into the '80's, with the expectation that an era of competition will eventually replace that of war, Asian countries are seeking peaceful solutions to all their problems. To attain these goals, however, several important conditions must be clearly recognized and met.

The first thing to be considered is that when one nation suffers the ravages of war, all neighboring nations are adversely affected, resulting in a generalized disturbance of the regional order. Consequently, each nation should assume responsibility for the protection of the entire region under a system which delegates an equal share of responsibility to each country.

Second, each nation must exert its utmost efforts to achieve prosperity through growing regional economic cooperation. They must also develop their national economies and improve their standards of living. By successfully accomplishing this, they should be able to prove to themselves that these actions will effectively deter war and lead to fair competition.

Third, the necessity of the United States' continued an active assistance to deter any military aggression should be unequivocally stressed. All available data show us that Soviet military capabilities have been expanded in the Far East during the '70's, and this appears to be the most serious threat to our region. The Soviet Pacific Fleet alone, at a tonnage of 1.5 million, surpasses the United States 7th Fleet. Its overall strength is twice as great. Under these circumstances, it is inevitable that the deterring of Soviet military power should depend to a significant extent, on United States' support through both nuclear weapons and conventional forces.

I believe that only when we successfully meet these requirements, will a new regional order in Asia and the Pacific be established in harmony with the one being sought in the West, thus ultimately contributing to world peace.

Northeast Asia, in particular, is a key area in measuring the security of Asia and the Pacific region. Four great powers of the world, the United States, Japan, the People's Republic of China and the Soviet Union—together with South and North Korea—maintain a perilous coexistence through their delicate interactions and the formation of triangular relations among themselves. Because of the precarious geopolitical situation, this region has such a built-in vulnerability that even small frictions may immediately cause overall disruption of the balance of power and lead to the total destruction of the existing regional order. The Republic of Korea is located within this strategically important area.

At this point, I would like to discuss U.S. policies toward Northeast Asia. It seems to me that the United States policies in this region have not sufficiently reflected a regional defense concept covering the entire Asia-Pacific Area.

They seem to rely to a large extend, on a strategic area defense concept focusing primarily on the security of Japan.

With regard to the Republic of Korea, it has been unfortunately true that the defense of Korea has been perceived at least in concept, as subordinate to that of Japan and this fact was clearly pointed out in the Nixon-Sato Joint Communique of 1969.

This basic concept and approach of the United States has made it possible for Japan to project even less than one percent of its GNP for its defense budget while the Republic of Korea bears the heavy burden of sacrificing six percent of its GNP for her national defense.

In regard to these budget allotments, it is important to view the military tension on the Korean peninsula as a regional matter, thereby demonstrating North Korean provocation as a potential threat to the region as a whole.

Is it imaginable that North Korean military power, which consumes more than 15 percent of the GNP and maintains a 700,000 man army is designed solely for the purpose of its own defense? I have my doubts.

Is it imaginable that the so-called "export of revolution" through which North Korea trains guerrillas and supplies arms to them would be stopped automatically once they complete the communization of the entire Korean peninsula? I would certainly answer no.

Although the perception that Korea is a dagger pointed at the heart of Japan prevails, it would be more appropriate to say that the Korean problem is a dagger pointed at the entire Asian and Pacific region.

In order to ease these prevailing tensions in Northeast Asia and in order to bring durable peace to our region, we Koreans are making concerted efforts with particular emphasis on the following three points.

To begin with, through successful implementation of a planned defense program, our military capability will not be second to that of the North Korean in the '80's.

Second, we look forward to seeing mainland China continue its moderate line and the present Kim Il Sung regime in North Korea to be replaced by a more rational one which may also follow a moderate line. Thus, hopefully, such a regime would sincerely agree with us on a peaceful solution to the problems on the Korean peninsula.

Third, we anticipate that the United States will unequivocally continue to remain a Pacific power and play a vital role in the region.

When we have a confirmation that these expectations have been fulfilled we can then relax with the knowledge that the security of our region has been significantly solidified.

Our region of Northeast Asia is usually recognized as the "Far East" by Western Europe. However, we might say that the same region is the "Near West" in relation to the United States.

If we look at our relationship from this perspective, the U.S. might generate a more well-defined global picture of world problems.

I would like to conclude my opening remarks by expressing my sincere hope that this symposium will greatly contribute to the exploring of our mutual needs, particularly enhancing security in Asia and the Pacific region.

On behalf of my colleagues, I wish to express my special appreciation to the faculty members of the Center for Strategic and International Studies and the participants from the Institute of Foreign Affairs and National Security of the Republic of Korea who worked very hard to make this symposium a successful one.

Thank you.●

SOVIETS REVOKE ACADEMIC DEGREES HELD BY JEWS

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. GREEN. Mr. Speaker, today's Wall Street Journal contains a useful article on official harassment of Jews in the Soviet Union. This article, "The Soviets Are Revoking Degrees Held by Jews," was written by William Korey, director of international policy research for B'nai B'rith International.

Mr. Korey reports that a total of 65 Jewish scientists have lost or will soon lose their degrees as a result of applying to emigrate. Losing a degree means an academic's intellectual freedom is totally restricted, and that he or she cannot earn a living. I am particularly sensitive to the restrictive and repressive influence of the Soviet Government on the lives of academics in the U.S.S.R.: My adopted prisoner of conscience, Dr. Semyon Gluzman, was imprisoned and exiled for refusing to practice his profession, psychiatry, under the terms dictated by the KBG when he would not provide inaccurate testimony to commit on psychiatric grounds a Ukrainian nationalist dissident.

That this loss of academic freedom is occuring is troubling; that it is focused on Jews in extremely disturbing. I commend Mr. Korey's article to my colleagues' attention, and ask that it be printed in the RECORD at this point.

THE SOVIETS ARE REVOKING DEGREES HELD BY JEWS

(By William Korey)

An extraordinary assault upon the autonomy and integrity of academia has been launched in the U.S.S.R. It warrants the attention and concern of the international scholarly community. A number of distinguished Jewish scientists who have sought to emigrate are advised that their higher academic degrees have been or will be revoked.

Not since the imposition by the Kremlin of the scandalous "diploma tax" in August 1972 has the Soviet Jewish intellectual been confronted by such a serious threat to his fundamental academic rights as well as to his livelihood. Higher academic degrees everywhere are granted in recognition of scholarly achievement. In the international community, a veritable sancity envelops the awarding of advanced degrees. Only in Hitler's Germany were academic degrees of Jews revoked. That action foreshadowed more intense persecution.

The unprecedented Soviet revocation practice was initiated in a systematic way about a year ago, though several cases occurred somewhat earlier. In 1978, a Jew holding the very advanced degree of doctor of biological sciences was deprived of the title. In 1980, revocations took place for two Jews holding advanced degrees in economic science and physical science. Since then, the scope has broadened and intensified, embracing a wide number of academic disciplines from geography to cancer research, from history to mathematics. A total of 65 Jewish scientists, according to available information, have lost or are in process of losing their advanced degrees.

The final stage in the revocation process stuns the degree-holder. He is suddenly advised, in a letter, without any previous indication, that the Soviet Higher Attestation Commission (VAK), on the basis of a "request" of some scientific council, "deprives you of the academic degree of Candidate of Agricultural Sciences" (as in one typical case; the "Candidate" degree is approximately equivalent to a Ph.D degree here).

VAK is the special, all-union body that confers academic degrees in the U.S.S.R. Individual Soviet universities, unlike those in the West, don't award them. Originally, VAK operated under the authority of the ministry of higher and specialized secondary education. However in 1974, VAK was transferred to the jurisdiction of the Council of Ministers. Its chairman explained that applicants for higher degrees would be required to "combine a profound professional knowledge with a mastery of Marxist-Leninist theory and with the convictions of an active builder of communist society."

Apparently, under the current interpretation, Jews seeking to exercise the fundamental human right to leave a country do not display the required "convictions." Even worse, several scientists were told that they were deprived of their degrees for "unpatriotic behavior," that is, applying to emigrate.

The personal ramifications of degree revocation are profoundly burdensome and humiliating. Soviet Jewish scientists say that it can mean salary cuts, demotion, denial of access to libraries and laboratories and even job dismissal. Further, those deprived of degrees can be kept from seminars, scientific meetings and professional publications. As non-persons in academia, they can have their research findings pirated or mutilated.

A public letter written by 13 prominent Jewish scientists in February spelled out the trauma: "We are being destroyed as scholars and as breadwinners . . . Our knowledge is locked away to decay." The writers interpret their torment to be "a deterrent for all potential new applicants for emigration to Israel."

They are no doubt correct. The Kremlin has reduced emigration to a trickle. Only a half-dozen Jews with advanced degrees were allowed to emigrate last year. About 500 emigration applicants holding advanced degrees were refused permission. Of these 45 percent have been fired from their jobs.

The revocation of degrees constitutes a new twist of the Soviet bureaucratic screw. The technique is only beginning. One of those affected, Yuri Medvedkov, a geographer associated with the Soviet Academy of Sciences, warns: "This poisonous process is not yet in full swing. We are trying to stop it early." But the burden of responsibility for halting the subversion of intellectual integrity rests with the international academic community. It was the outcry of Western academics in every discipline that helped end the notorious "diploma tax." A renewed outcry could produce a similar result.●

THE TAX REFORM

HON. JIM JEFFRIES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. JEFFRIES. Mr. Speaker, soon this body will be faced with the responsibility of dealing with a so-called tax reform—one that would raise taxes $98 billion over the next 3 years and $228 billion over the next 5 years. If this tax package is passed, you can be sure that the recession, which we are now starting to come out of, will be prolonged.

This week, major banks lowered the prime lending rate, a major economic indicator, to 14 percent. The proposed tax increase may jeopardize this downward trend because it contains certain provisions which affect corporate cash flow at a time when many companies are critically short of cash. Such action will put more upward pressure on short-term rates as companies are forced to borrow more heavily.

Many people believe that the tax increase will lead to more revenues for the Government. True, the Government will receive $98 billion over the next 3 years, but the increase will also ease pressure for Congress to cut spending, the real solution to the huge deficit. Moreover, the tax increase will inhibit personal savings and business growth which, in turn, will limit Government revenues and do nothing for our record high deficit. History shows that tax increases lead to a drop in personal income, which leads to less savings and long-term investment, which, in turn, leads to less revenue producing economic activity. On the other hand, a reduction in taxes has been shown to lead to growth in Government revenues.

Now, however, the administration has abandoned its economic philosophy. If you recall, this year the administration wanted $13 in spending cuts for every $1 in tax increases. But thus far, there have been only 16 cents in spending cuts for every $1 in tax increases. Yet the administration is supporting a $98 billion tax increase, instead of trying to get Congress to enact better than $25 billion of the $40 billion budget cuts of the fiscal year 1983 budget resolution.

Some $37 billion of this tax increase is aimed at the business sector. With Congress changing the tax code so often, how is the business world supposed to set plans for economic recovery? This instability will lead to the business community's distrust of the Government and to a slowdown of the recovery from the present recession.

Last year's tax cuts amounted to only one-fifth for business. But nearly one-half of this year's tax increase is directed at business. As a result, the tax increase will take away over two-fifths from the original business tax cut. How can the administration expect stability in the business world with this kind of give-and-take attitude?

One of the major provisions in this tax package that would inhibit economic recovery is the 10-percent withholding tax on interests and dividends. This tax will lead to a loss of long-term savings in the private sector. This tax package will thus inhibit savings which is something that the administration tried to stimulate last year with a tax cut, knowing that it would increase economic activity. Furthermore, it will cost hundreds of millions of dollars for the financial institutions to administer this increase, costs that will be passed onto the private sector. This increase will inhibit savings even more.

This tax reform must not pass. For one thing, conservatives have not been promised that there will be any action to cut spending which would help to balance such a large increase. Who's to say that this increase won't just provide more money for the liberals to spend? The least that the administration could do would be to promise more spending cuts before it decides to push a major tax increase through Congress.

If this legislation passes, you can be sure that there will be more people in need of the Government's money because the economic situation will not improve and more funding for present government programs will be needed to help support the truly needy. With more money going to welfare programs, the deficit will grow and the recession will remain.●

DEFEAT THE TAX INCREASE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 18, 1982

● Mr. McDONALD. Mr. Speaker, in the very near future, we will vote on H.R. 4961, the "Tax Equity and Fiscal Responsibility Act of 1982." I would like to take this occasion to urge my colleagues to vote against the measure.

While I have always been a staunch advocate and supporter of a balanced Federal budget, I believe that efforts to balance the budget by raising taxes are misguided as demonstrated by the fact that even if H.R. 4961 is enacted into law, the proposed Federal deficit for fiscal year 1983 will be in excess of $100 billion. Thus, if Congress attempted to balance the Federal budget at the current level of expenditures, it would be necessary to enact massive tax increases—increases that go far beyond those proposed in H.R. 4961. I, for one, do not believe that we have amassed a national debt of over $1 trillion or that Federal deficits continue to escalate because taxes are too low. To the contrary, Federal spending is much too high and passage of H.R. 4961 will do very little to curb the insatiable appetite of the Federal Government's policies of "tax and tax, spend and spend."

If we are indeed serious about lowering Federal deficits without resorting to massive tax increases, then it must be recognized that we must go beyond the political rhetoric and make actual reductions in Federal spending and not be complacent with merely slowing the rate by which expenditures increase. As each of the myriad of federally-funded programs and projects has its own constituency, you can be sure that such action will not be popular with all sectors and special interests. Nevertheless, this is the action that we must take and these are the difficult decisions that we must make if we are to restore fiscal sanity to the economic policies of the Federal Government.

During the past several days, the Chattanooga News-Free Press has carried two excellent editorials concerning H.R. 4961 and the economic policies of the Federal Government. Prior to casting a vote on the largest peacetime tax increase in history, I urge my colleagues to carefully read these editorials which follow:

[From the Chattanooga News-Free Press, Aug. 15, 1982]

DEFEAT THE TAX INCREASE

The huge tax increase that Congress is considering passing has been portrayed by some proponents as mainly closing loopholes and bringing fairness to the tax system. But a close examination of the handiwork of Senate Finance Chairman Robert Dole, R-Kan., shows that the tax package will affect almost everyone in our society.

If you are a traveler, you will pay a portion of the billions of new taxes on air travel over three years. The tax on gasoline for noncommerical aviation will jump from four cents a gallon to 12 cents, and a five percent toll will be collected on airfreight waybills.

If you are going abroad, you will have to pay a $3 departure tax.

If you plan to fish on your trip, you may run into the new tax on fishing equipment or the three percent levy on some boats and equipment.

If you want to call the folks back home, expect to pay twice the current one percent excise tax on long-distance service. That applies to local calls as well. The rate would rise to three percent for 1984 and (at least according to the document) drop back to two percent after 1985.

If you are a saver, you will face the withholding of 10 percent of the interest from your savings account. This aspect is described as being similar to wage withholding, with the aim being to insure collection.

If you are a smoker, you will pay 16 cents on a package of cigarettes, which is double the current eight-cent levy.

If you go to the doctor, you will find that tax deductions for medical expenses and casualty losses are drastically cut. Deductions will only be allowed for medical and dental costs exceeding seven percent of adjusted gross income, up from the current three percent.

The current deduction of half of health-insurance premiums up to $150 would be cut to $100.

If you suffer a theft or fire, you will find that deductions for losses from theft, fire and other misfortunes are limited to losses in excess of 10 percent of adjusted gross income.

If you are a businessman, you will also be hit. A White House summary says, "Though less than one percent of the revenues come from 'new' business taxes, a large amount of the base broadening measures directly affect business. Overall about half of the increased revenues are business taxes."

Employers would be faced with an unemployment levy of 3.5 percent of the first $7,000 of each worker's wages. That is up from 3.4 percent of the first $5,000.

Also in the bill are tighter depreciation requirements, restrictions on the safe harbor leasing law, limits on the investment tax credit and other business tax controls.

The new tax package is often referred to as "the largest peacetime tax increase in history." In truth in absolute dollar amounts, it is our largest tax increase ever. (Earlier wartime tax hikes were bigger percentage-wise, but not dollar-wise).

When considered over a five-year period the tax take is actually $227 billion rather than the $98.9 billion that is usually cited.

Even with the recent personal income tax reductions and even without the Dole tax increase, Treasury Department figures show that people in every income category from $15,000 to $40,000 a year will experience a net increase in taxes over the period 1981-1988.

The study says. "The 'cuts' are only cuts when measured against the rapidly rising tax burden under prior law.

"The 'cuts' are imperfect and often inadequate offsets to tax increases that were occuring."

We can begin to see the real problem when we note that from 1960 to 1982, federal revenues increased by a whopping 578 percent. But during that same 22-year period, federal expenditures skyrocketed by 687 percent.

The dire situation has gotten to the point that in 1982 the Federal Government will take as tax revenue more than 20 percent of all the goods and services produced in our country in 1982. That does not include the Dole increases.

At the same time the government will spend more than 23 percent of every single thing produced in the U.S. this year.

It is true that the federal deficit is great and interest rates are far too high.

It is true that taxpayer compliance needs to be tightened, loopholes need to be plugged and inequities removed in a number of areas in our tax system. (Perhaps the best way to carry that out would be the flat-rate income tax system.)

But it is also a fact that if this unsavory tax package is signed into law that there is no guarantee that it would cure the deficit or interest rate problems.

What it more likely would do is provide the spend-happy Democratic majority in the House of Representatives with a revenue cushion and reduce the pressure for budget cuts.

It would hit business with new levies and disincentives when it is already reeling and on the ropes. Businesses with closed doors would not be able to contribute "any" revenues to government.

It is informative to note that the same package that contains $227 billion in added taxes suggests only $22 billion in federal entitlement program cuts over the same five-year period.

Congress has spent months devising almost every conceivable means of raising new taxes, while it should have been looking at every possible avenue for cutting the wasteful government spending that continues at a rapid pace.

[From the Chattanooga News-Free Press, Aug. 17, 1982]

A JUDGMENT CALL

Sometimes in a sporting event there has to be a judgment call. A pitcher has to be taken out or a new quarterback put in. Or maybe there's a question about whether a player was on sides or a ball went foul. It's a matter of judgment, and different people may have different honest judgments about the situation.

President Ronald Reagan has made a judgment call in his support of the bill before Congress designed to bring in $98.3 billion in additional taxes. Some of his philosophical friends find themselves having a different judgment.

The president's evident sincerity and honesty in presenting his case to the nation last night carried much weight for his side of the argument. We believe, however, that better judgment lies with those who oppose his call for tax increases at this time.

Mr. Reagan agreed that he does not like the idea of tax rises, and finds this plan less than perfect. "Why then do I support it?" he asked. "I support it because it's right for America. I support it because it's fair. I support it because it will when combined with our cuts in government spending, reduce interest rates and put more Americans back to work again."

Those are good reasons. But people who oppose the tax increase make their judgment call on the grounds that not increasing taxes will be better for America, that not taking more from the people and giving it to government will help the national economy, so employment is more likely to rise and interest rates that prohibit economic expansion may go down.

The whole problem is that over the last half a century, government has grown much too big and has made costly promises that the people, members of Congress and presidents have been unwilling to fund. Now faced with staggering deficits, there are only two solutions, to cut more or to tax more.

Mr. Reagan proposes cutting three dollars in spending for each additional dollar to be raised in taxes. We believe spending cuts and tax cuts rather than tax increases offer better prospects for real recovery. Give money to government and it will spend it. Starve government and there is a better chance to hold spending down. Leave more money in the hands of those who earn it and it will be used more productively than if government gets it. That's where judgment calls differ.

Mr. Reagan effectively explained that the whole $98.3 billion involved in the current bill is not a tax increase. Part would be: For instance, additional levies on cigarettes ($2.40 amonth for one-pack-a-day smokers), telephone tax increases, air ticket tax rises and the like would account for about 19 percent of the tax increases. But, said the president, 33 percent of the bill would come from taxes now due but not being paid while 48 percent would come from closing loopholes.

The president is right in calling attention to the large amount of tax being evaded by people who do not pay, on tips, for instance. And those with interest and dividend incomes should pay, as most do. But institution of forced tax withholding on interest and dividend payments would impose new and costly burdens on the payers, with the result that the earners will have to foot the bigger bill.

Mr. Reagan wants as nearly everyone does, to reduce the deficits, easing federal borrowing, easing the loan competition that pushes interest rates up, encouraging economic recovery. All of that is quite sound. But if raising taxes $98.3 billion will keep interest rates down, would raising taxes twice that much reduce interest rates twice as much? We believe the best solution is reducing government spending, not increasing governmental taxing.

We are afraid that raising taxes will ease the pressures on Congress to cut spending. In the end we may see Democratic Speaker of the House Tip O'Neill, a champion symbol of what has caused our economic trouble, continuing big spending, boasting to the voters about what he is "giving" them, while pointing an accusing finger at President Reagan as a tax raiser.

In that case, we would have the worst of all economic possibilities. Mr. Reagan's judgment is that the tax rise would help. But the judgment of many sound conservatives is that it would hurt. We believe they are right. This is a difficult judgment call.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily

Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, August 19, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 25

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business
3110 Dirksen Building

SEPTEMBER 14

9:30 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on America's role in the world coal export market.
3110 Dirksen Building

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the implementation of the Federal Mine Safety and Health Act of 1977.
4232 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Justin Dart of California, to be a member of the Board of Directors of the Communications Satellite Corporation.
235 Russell Building

SEPTEMBER 16

9:30 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To resume oversight hearings on America's role in the world coal export market.
3110 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on the effects of coal slurry pipelines on the overall national transportation system.
235 Russell Building

2:00 p.m.
Judiciary
To resume hearings on Senate Joint Resolution 199, proposing a constitutional amendment providing for voluntary prayer in public schools and certain institutions.
2228 Dirksen Building

SEPTEMBER 17

9:30 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To continue oversight hearings on America's role in the world coal export market.
3110 Dirksen Building

SEPTEMBER 21

10:00 a.m.
Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on the effects of alcohol consumption during pregnancy.
4232 Dirksen Building

10:30 a.m.
Veterans Affairs
To hold hearings to receive American Legion legislative recommendations for fiscal year 1983.
318 Russell Building

SEPTEMBER 23

10:00 a.m.
Judiciary
Agency Administration Subcommittee
To hold hearings on proposed legislation to extend Federal employees compensation benefits to all Federal jurors, to provide the taxing of attorney fees for court appointed attorneys, and to expand the method of serving jury summons.
6226 Dirksen Building

SEPTEMBER 30

10:00 a.m.
Judiciary
Agency Administration Subcommittee
To hold oversight hearings on the indemnification of Government contractors.
2228 Dirksen Building

OCTOBER 6

10:00 a.m.
Judiciary
Agency Administration Subcommittee
To hold oversight hearings on the accessibility of the judicial system.
2228 Dirksen Building