

## EXTENSIONS OF REMARKS

## METHANOL AND CAFE

## HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA  
IN THE HOUSE OF REPRESENTATIVES  
Wednesday July 10, 1985

● Mr. WISE. Mr. Speaker, I have today introduced legislation designed to give American auto manufacturers a break if they start to produce cars that run on methanol. My bill has been introduced in the other body as well, and will be the subject of a Senate Commerce Committee hearing on July 17.

The so-called Corporate Average Fuel Economy [CAFE] standard, developed in the 1970's to reduce the Nation's dependence on foreign oil, is the focus of my effort. My bill gives car manufacturers who, under CAFE, must meet certain mileage standards using the average of the miles-per-gallon ratings of all the models they produce, a credit toward meeting this industrywide standard.

For example: Suppose that Company X produces a car designed to operate on 85-percent methanol (the accepted definition of a methanol car) and 15-percent gasoline; its fuel economy standard should be based on how much gasoline it consumes. A car that travels 24 miles per gallon on 85-percent methanol fuel would, in effect, be traveling 160 miles per gallon of gasoline. For an automaker struggling to meet a prescribed CAFE standard, the advantage of selling such highly rated cars is obvious.

Many of us were shocked when the Japanese announced this spring that they would increase the shipment of their imported automobiles to the United States. A significant number of us in the Congress had been working hard to keep the imported auto "Voluntary Restraint Agreement" in place; we lost. My legislation will kill two birds with one stone: First, American companies will be greatly encouraged to manufacture small, highly-efficient methanol vehicles to compete with what the Japanese are trying to sell here and, second, create a market for methanol fuel in the United States.

My legislation is a simple way to take care of a number of problems previously associated with methanol car production. If American companies are producing methanol cars, the market for fuel will skyrocket, providing incentives for service stations to put in tanks and pumps, something desperately needed if long-distance driving in methanol cars is to become common-

place. Also, our continued dependence on foreign oil for gasoline production will cease—for generations. Last, but not least, if more methanol is needed to fuel our automobiles, more domestic coal and natural gas will be needed to produce it. The jobs created in West Virginia alone would be staggering.

I am excited about the positive influence my legislation, if enacted, would have. Many more of our Nation's coal miners could be working; our air would be cleaner; we would not be subject to blackmail by the OPEC oil cartel, and our domestic auto industry would be given a tremendous "shot in the arm"—something it desperately needs.

I urge my colleagues to join me as cosponsors of my bill. A copy of it is printed below.

## H.R. —

A bill to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol, and for other purposes

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

## SECTION 1. SHORT TITLE.

This Act may be cited as the "Methanol Vehicle Incentives Act of 1985".

## SEC. 2. FINDINGS.

The Congress finds that—

- (1) transportation uses account for more than 60 percent of the oil consumption of the Nation;
- (2) continued reliance on imported oil is detrimental to the economy and security of the United States;
- (3) methanol is a proven transportation fuel that burns more cleanly and efficiently than gasoline; and
- (4) conversion of a portion of the transportation fleet of the Nation to methanol would stimulate development of a domestic coal-to-methanol industry, create jobs, reduce air pollution, and enhance national security.

## SEC. 3. PURPOSES.

The purposes of this Act are to—

- (1) provide for the appropriate application of fuel economy standards to methanol powered automobiles; and
- (2) increase the availability of methanol and methanol powered vehicles to consumers.

## SEC. 4. MANUFACTURING INCENTIVES FOR METHANOL POWERED AUTOMOBILES.

The Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) is amended—

- (1) in section 501 (15 U.S.C. 2001) by adding at the end thereof the following new paragraphs:

The term methanol mixture means the mixture of methanol with other fuel, if any, used to operate a methanol powered automobile.

"(15) The term 'methanol mixture' means the mixture of methanol with other fuel, if any, used to operate a methanol powered automobile.

"(16) The term 'methanol powered automobile' means an automobile capable of operating on not less than 85 percent methanol."; and

(2) in section 503(d) (15 U.S.C. 2003(d)) by adding at the end thereof the following new paragraph:

"(4) If a manufacturer manufactures methanol powered automobiles, the fuel economy calculated for purposes of this title, except for the purpose of labeling under section 506, shall be based on the fuel content of the methanol mixture used to operate such automobiles. For purposes of this section, a gallon of the methanol mixture used to operate such automobiles shall be considered to contain 15 one-hundredths of a gallon of fuel."●

RETIREMENT OF THE  
HONORABLE ELDON RUDD

## HON. BOB STUMP

OF ARIZONA  
IN THE HOUSE OF REPRESENTATIVES  
Wednesday, July 10, 1985

● Mr. STUMP. Mr. Speaker, in the 73 years since our statehood, Arizona has had but only 17 people who have served its residents in the U.S. House of Representatives. No matter their length of service, each one who has served and since left these Chambers has made lasting contributions to his district, our State, and this Congress.

Recently, my good friend in Congress from Arizona's Fourth Congressional District, ELDON RUDD, has announced his retirement at the end of the 99th Congress. ELDON joined that small but significant number of Arizonans who have contributed to Arizona's history and future by serving in the House of Representatives. He has served his district and State admirably throughout five terms, remaining dedicated to the principles upon which this county was founded.

The Arizona Republic editorialized ELDON's announcement in a way which aptly portrays our colleague and his dedicated public service career. The test of the editorial follows and I commend it to you.

Never flamboyant, Republican Rep. Eldon Rudd just went about being a congressman dedicated to Arizona and Arizona issues.

Voters in the sprawling 4th District with a heavy GOP concentration liked what they saw in Rudd, a conservative ideologue. They returned him to Washington every two years since his first narrow victory by just 719 votes in 1976.

He consistently ran strong—so strong that by last year, no Democrats took him on, giving Rudd an enviable free ride which, undeniably, pinned the "unbeatable" label on him for future elections.

So it was with great surprise that Rudd, 64, announced that the remainder of his

term would be his last, a statement that has sent would-be successors scurrying about in what promises to be a free-for-all scramble in 1986.

Rudd made his announcement in his own inimitable way without fanfare or hoopla—a press release late Friday afternoon on the Fourth of July weekend when revelers would be more engrossed in hot dogs, campfires and swimming than in what a congressman was saying.

Not even members of the state's congressional delegation had more than a moment's advance warning. That in itself showed it was a personal decision between himself and his family; not one that he sought advice on from colleagues or others.

Skeptics may scoff at his stated reason: "In my view the Founding Fathers contemplated a citizen legislature, with a reasonable and continuing turnover in membership."

But that is quintessential Rudd, whose public service career as fighter pilot, FBI special agent and politician is impressive and whose patriotism and love of country and Arizona have never been questioned by friend or foe alike.

As a member of the House Appropriations Committee and its important subcommittee on Energy and Water Development, Rudd was ideally positioned to oversee continued annual funding for the Central Arizona Project.

His support of the CAP never wavered, and he carried out his duties with a high regard for Arizona's future on such other crucial issues as dam safety and flood control.

Rudd's mobile district office was a fixture, and his attention to constituents and their concerns was first rate.

He has solidly backed President Reagan's economic and defense initiatives, and is a solid conservative when it comes to those ubiquitous ratings put out by special interest groups.

What he may or may not do in the future now is a subject for speculation.

Rudd insists he has made no plans. He says his statement last year that he would not seek the GOP gubernatorial nomination in 1986 "was applicable then and is today but may not be the day after tomorrow."

While he contemplates what niche he may carve in state GOP politics down the road, it can be said that Arizona and the 4th Congressional District have been represented capably by Rudd. ●

#### THE SECOND DECLARATION OF INDEPENDENCE

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. BORSKI. Mr. Speaker, I rise to bring to the attention of my colleagues a unique and noteworthy celebration which took place on July 3, 1985, in Philadelphia, PA.

On that date, I joined with many Philadelphia area business, labor and government leaders to sign a Second Declaration of Independence. Among those signing with me were the Honorable W. Wilson Goode, mayor, city of Philadelphia; J. Lee Everett, chairman and chief executive officer, Philadel-

phia Electric Co.; G. Fred DiBona, Jr., president, Greater Philadelphia Chamber of Commerce; and Edward Toohey, president, AFL-CIO, Philadelphia Region. The purpose of this Declaration is to reaffirm our commitment to the American values and initiative which made our country great and to provide a foundation for a new and continuing prosperity.

The signers of this Second Declaration recognize that when new challenges arise which threaten the prosperity, values and opportunities on which this great Nation was conceived and built, it becomes necessary for a new vision and a new focus of attention, so that all people may join together to forge a united response.

Just as when this Nation was conceived, we now pledge a rebirth, a rededication of our hearts as well as our minds to principles which will enable us to meet the challenges of today.

I would like to share with my colleagues the specific provisions of the Declaration which I offer as national model for renewed leadership and strength.

Therefore, we declare our intent to take action to secure the future for ourselves and our children.

We shall adopt a new philosophy for a new economic age.

We are in a new economic age—one driven by the competitive necessity for ever higher quality. We no longer enjoy the luxury of competing on a solely national level; the new competitive enterprise arena is truly worldwide. Only by working together can management and the workforce change the system to meet the demands and expectations of customers. This change cannot be brought about without wholehearted, long-term commitment and innovative leadership.

We shall create a constancy of purpose for improvement of product and service.

An organization's first objective is to maintain its existence by providing valuable goods and services in the competitive marketplace, thereby ensuring profits and return on investments. Existing jobs are then secured and new jobs are created. Management's role is to define the nature of the business and to communicate goals and direction to the organization. Moreover, it is management's responsibility to create and maintain an environment where every individual has the knowledge, skills and motivation to continually improve the quality of the goods and services produced.

Management shall lead the way to consistently and forever improve the system of production and service.

Since employees work in the system, they cannot improve it by themselves. Most delays, mistakes and defects are products of the system, not the individual. It is the system, therefore, which must be changed. Management, which works on the system, is responsible for making the changes necessary to improve the quality of the system. Each individual from every level of the organization must be continually dedicated to improving the quality of each process and, therefore, of the products and services produced. New commitment, teamwork, training, and statistical tools are necessary for such improvement.

We shall design and build quality into every product and service.

Quality must focus on continuous improvement and innovation. Quality cannot be "inspected" into a product by sorting the good from the bad. Management and the workforce must work together to build quality into every product and service.

Price alone shall not be the basis for purchasing materials and services.

The lowest priced product or service is not necessarily the best value. Competitive high quality can never be achieved if inferior materials or services are tolerated. We must refuse to award business solely on the basis of price. Quality must be an intrinsic component of the process from the start. Attaining the highest possible quality at the lowest total cost requires the development of long-term working relationships between customers and suppliers.

We shall work to break down the barriers which prevent individuals and groups from working together.

Cooperative problem solving is possible only in an atmosphere which fosters teamwork and openness in the organization. Rather than competing with each other, individual departments should strive to achieve common goals.

To do their jobs well, employees need training, direction and proper tools.

Vigorous programs of education, training and retraining are mandatory if employees are to produce quality work. These programs must be instituted in order to provide proper tools and effective supervision, so that everyone can enjoy pride of workmanship.

It is essential to improve our understanding of customer needs and expectations.

Only by developing better insight into customer requirements and expectations, present and future, can we define the improvement necessary wherein both benefit. The application of this principle also demands the recognition of supplier/customer relationships within each organization.

It is essential to eliminate fear in order to foster a creative environment.

We must develop an atmosphere of mutual trust in which all persons, at all levels, are encouraged to express their thoughts, try new ideas, and work to their full potential. Americans are the most creative and willing workers in the world today. By defining responsibility, management can promote security, the sense of involvement, and true job satisfaction which leads to high productivity and ever-higher quality.

Therefore we, as representatives of management, labor and government, declare our commitment to the preceding principles in order to sustain our free-enterprise economy and on-going prosperity.

July 3, 1985, Philadelphia. ●

#### PRAIRIE VIEW A&M UNIVERSITY

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. LELAND. Mr. Speaker, it is my pleasure to commend the work of Prairie View A&M University and to mark the opening of their National Alumni Association Annual Convention. This, the 11th annual association conference, will begin tomorrow, July 11, and

will run until July 14. The convention theme is "Striving for Excellence" which I believe embodies the thrust of the association and the university.

Prairie View A&M is located 40 miles to the northwest of Houston, TX. Now in its 107th year, the university is proudly celebrating, and the alumni association is taking an active role in Prairie View's second century of producing productive people. The university has made a commitment to providing excellent education, community advancement, and scientific research for minority students of the State of Texas and the United States. Prairie View is the second oldest institution of higher education in Texas. During its existence the university has produced thousands of educated individuals that have played important roles in their own communities and throughout the Nation.

Currently there are 6,500 students studying at Prairie View. The vast majority of these are undergraduates, embodying the commitment to equal opportunity to education that the university has made. There are nine colleges and one school associated with the university, including colleges of liberal arts, business, science, and engineering. In fact, Prairie View has the distinct honor of producing more engineers than any other minority institution in the country.

The convention will take place at the Ramada Renaissance Hotel here in Washington, DC. At this meeting, which marks the first time the convention has been held out of Texas, there will be an unprecedented 300 delegates, representing 17 States. The workshops at the convention will center on ways to make the alumni association stronger so it can better provide moral and financial support for Prairie View A&M in the future. There will also be a presentation by the Association for the Study of Afro-American Life and History based on their theme for Black History Month, "The Afro-American Family: Strength for the New Century." This presentation will provide an image that is too rare in our society, the positive image of the black family based on historical truths.

I take this opportunity to publicly commend and endorse the activities of the university and the alumni association. It is my wish that they continue the work that they are doing so Prairie View A&M University can continue to prosper. ●

## COMPREHENSIVE SMOKELESS TOBACCO EDUCATION ACT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. SYNAR. Mr. Speaker, today I am introducing legislation to require warning labels on smokeless tobacco products. The medical evidence is clear: the use of these products leads to an increased risk of mouth cancer, causes a variety of problems with the teeth and gums, and is addictive.

Even as these problems are becoming clear, the use of snuff is rising rapidly. Snuff sales increased by 54 percent between 1978 and 1983, and the number of current users is estimated at 22 million.

Many of these new users are children. A study in Oklahoma found that 22 percent of all 11th graders use snuff. A Florida study found that among rural, southern seventh and eighth grade males, 59 percent had tried smokeless tobacco and 37 percent were regular users. Some children became users as early as age 4 and the median age of first use was 9.1 years. A survey in Texas found that only 40 percent of high school students believed that smokeless tobacco was harmful, compared to 77 percent for smoking.

A major study jointly conducted by the National Cancer Institute and the University of North Carolina found that women who used snuff for several decades have nearly 50 times the normal risk of developing cancer. The study determined that 90 percent of the tumors that developed in users were related to snuff use.

Dr. Arden Christen, chairman of the Department of Preventive Dentistry at the Indiana University Dental School surveyed published literature between 1915 and 1972 and found 646 cases of oral cancer directly associated with dipping, tobacco chewing, or both.

Several studies have documented that the presence of nitrosamines in snuff causes cancer. A study published in *Cancer Research* found that—

NNN—nitrosamines—can be a locally-acting carcinogen because exposure of the esophagus should be higher when the compound is given orally.

Dr. William Lijinsky, a world-leading authority on nitrosamines, recently testified that:

The results of animal experiments—support the statement that nitrosamines in snuff are responsible, in whole or in part, for the oral cancer that has been reported in habitual users of snuff.

Smokeless tobacco products have a nitrosamine concentration of 30 to 70 parts per million. By comparison, the Food and Drug Administration has set 60 parts per billion as the maximum

allowable level for nitrosamines in baby bottle nipples.

The American Cancer Society states that the use of smokeless tobacco doubles the risk of oral cancer over that of cigarette smokers.

The evidence of gum disease and tooth loss caused by smokeless tobacco use is equally clear. A study conducted at the University of Colorado School of Dentistry surveyed 1,119 high school students, 10 percent of whom were smokeless tobacco users. The researchers found abnormal growth of cells lining the mouth, gum inflammation and erosion of the teeth.

A Swedish study published in the *Journal of Oral Pathology* found that rats exposed to snuff and a herpes virus had a higher incidence of tumors than control rats or rats exposed to the herpes virus only.

Dr. Christen of Indiana University has found that gum recession is one of the earliest and most common signs of smokeless tobacco use. Teeth can also begin to wear down within a few months due to the grit in smokeless tobacco, which acts as a fine sandpaper. Leukoplakia—whitish or grayish patches of cells—often develops at the spot where the tobacco is routinely held. Up to 7 percent of these lesions become malignant.

The presence of nicotine in smokeless tobacco products also causes substantial health problems. Research published in *Hypertension and Preventive Medicine* has shown elevated blood pressure in users of smokeless tobacco. Additional research at Ohio State University found that the average blood pressure readings of male smokeless tobacco users aged 18 to 25 were nearly 15 points higher than those of male smokers and nontobacco users in the same age group.

Use of snuff results in the absorption of nicotine into the body and within 5 minutes results in a blood level equivalent to that obtained from smoking. Nicotine creates a powerful physical dependence and there is concern that adolescents who become addicted to nicotine through snuff may graduate to smoking later in life.

I am introducing the Comprehensive Smokeless Tobacco Education Act to require that producers of smokeless tobacco products warn consumers of these dangers. The bill would require that all smokeless tobacco products and advertisements carry one of the following labels:

Warning: This Product May Cause Mouth Cancer.

Warning: This Product May Cause Gum Disease and Tooth Loss.

Warning: This Product Contains Nicotine and is Addictive.

Smokeless tobacco is defined as any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral cavity or nasal passage.

Each label is required to appear an equal number of times on each product and advertisement in a 12-month period specified by the Federal Trade Commission. The label statement is required to be read once during each radio and television advertisement. In the case of television advertising, the label statement must appear for the duration of the advertisement. In the case of television and print advertising, the label must appear in conspicuous and legible type in contrast with all other printed material in the advertisement, and enclosed in a circle and arrow format. The FTC has found this format to aid significantly in the recall of warning labels.

The FTC is required to issue regulations within 180 days after the date of enactment to implement the bill.

Finally, the FTC is required to submit annual reports to Congress on the effect of health education efforts on the use of smokeless tobacco products, current practices and methods of smokeless tobacco product advertising and promotion, public use of smokeless tobacco products, evaluation of known health effects of smokeless tobacco products, and such recommendations for legislation and administrative action as it may deem appropriate.

I emphasize that this legislation should in no way be construed as an attempt to inhibit ongoing State efforts to require labeling on smokeless tobacco products. Massachusetts has enacted regulations to require labeling, and eight other States are considering similar requirements. I applaud the efforts of these States and encourage others to join them.

It is readily apparent that the need for cigarette warning labels exists with smokeless tobacco products. As the New York Times recently editorialized, it is "still the same old weed." The labels provided for in this legislation are a necessary first step in making consumers aware of the risks involved in using these products.●

**MOUNT ST. MARY ACADEMY SELECTED AMONG THE NATION'S BEST SCHOOLS**

**HON. MATTHEW J. RINALDO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. RINALDO. Mr. Speaker, in the search to encourage excellence in American education, the Council of American Private Education has selected 65 private schools in the Nation for its 1985 Exemplary Private School Recognition Awards conducted with the support of the U.S. Department of Education. Two New Jersey private schools were among those selected, including Mount St. Mary Academy in Watchung and Morris Catholic High

School in Denville. I am proud of the fact that Mount St. Mary Academy is in the Seventh Congressional District that I represent, and I am very familiar with its outstanding academic reputation. My own observations of the quality of education at Mount St. Mary Academy, and its commitment to excellence, long ago convinced me that it is one of our Nation's premier schools. Mount St. Mary Academy not only produces students who are hard working and successful, but Mount St. Mary is dedicated to instilling a sense of moral and ethical values that serve its graduates for the rest of their lives. Information changes, technology advances, but the basic human values of respect for each other, for the world we live in, and the search for a higher moral purpose as expressed through faith in God never change; they are enduring. These qualities distinguish Mount St. Mary Academy.

Sister M. Eloise Claire, headmistress of this 76-year-old school, members of the faculty, and the student body carry on a great tradition at Mount St. Mary. It is a tradition committed to self-discipline, hard work, diversity, and the pursuit of the intellectual, moral, and social growth of each student. Asked by a reporter to explain Mount St. Mary's Education Program, Sister Eloise Claire put it succinctly:

We have the freedom of talking about God. That's the difference.

A recent graduate also said this:

It was a lot of hard work and a lot of dedication on my part to schoolwork, but it was all for a good cause. The people are really nice. I would recommend it to anyone who's willing to do a lot of work.

That old-fashioned American work ethic obviously extends to the classroom at Mount St. Mary Academy, and it is one of the reasons for the success of this fine institution.

At the core of Mount St. Mary's curriculum is the idea that personal integrity and honesty are rooted in respect for the truth, intellectual curiosity, and love of learning. Students are taught a sense of duty to self, family, school, the community, and to God. Self-esteem comes from the recognition of one's potential. There is an effort on the part of the faculty and student body to develop the capacity to make discriminating judgments between right and wrong and among competing opinions. Out of it comes a sense of justice, rectitude, and fair play. This value system is further expressed by a disposition to understand others, sympathy, concern, and compassion, and to have the courage of one's convictions. These are not, by any means, newly discovered values. They can be traced back as far as the Bible and encompass the lessons of the Greeks, Romans, the Renaissance, and the emergence of our own Republic and democratic institutions.

In our national search for excellence in education, we have all the material and experience on hand to excel. Mount St. Mary Academy is a model of what can happen in a school where the faculty, student body, trustees, and administrators recognize that discipline, hard work, ethical and moral values, and democratic ideals can raise the standards of all citizens in our society if we are truly committed to learning them.

Mr. Speaker, I offer my congratulations to all those students, faculty members, trustees, and supporters, past and present, who have enabled Mount St. Mary to develop into one of the finest schools in the country.●

**GOSPEL MUSIC FESTIVAL**

**HON. PETER W. RODINO, JR.**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. RODINO. Mr. Speaker, on July 14 the city of Newark will ring with the sweet sounds of gospel music. From morning until night a gospel music festival will feature many prominent talents and promises to be a very special event.

The proceeds from this daylong celebration will be shared by the Ethiopian Relief Fund and the Martin Luther King Center for Nonviolent Social Change, Inc. Both of these organizations have been directly involved with all of the planning of this festival. Mr. Harold R. Sims of New Jersey, a board member of the King Center, is to be commended for his leadership role as a guiding force behind the festival.

There will be about 20 performers during the day, and the highlight of the festival will be a special appearance by well-known singer Al Green. He is perhaps the best known artist in the area of gospel music, after making a tremendous name for himself in other musical styles as well.

This is not a rare phenomenon—many of the greatest performers in the world got their start by singing gospel music. As a musical style, it has influenced all other forms of music while still enduring as an important genre all its own. Gospel music has been called the first truly American form of music, having as its origins the spirituals that expressed the hope for a better life during the days of slavery. To the millions of people who enjoy the beauty and appreciate the history of gospel music, this celebration is an event that ought not be missed.●

**WARREN E. BURGER AWARD  
PRESENTED TO CONGRESS-  
MAN KASTENMEIER**

**HON. DON EDWARDS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. EDWARDS of California. Mr. Speaker, it is a great honor for me to call attention to the July 5, 1985, presentation of the Warren E. Burger Award to a respected House colleague and friend, BOB KASTENMEIER of Wisconsin.

The Institute of Court Management of the National Center of State Courts annually bestows this award on an individual who has made a major contribution to the improvement of judicial administration in this country. In selecting the recipient, the Institute looks to creativity, leadership, innovation, and the results of a person's efforts.

Congressman KASTENMEIER is, of course, the distinguished chairman of the House Judiciary's Subcommittee on Courts, Civil Liberties, and the Administration of Justice. I join with the Institute in recognizing BOB's commitment to providing quality, expeditious, inexpensive, and equal justice to all Americans through this Nation's system of justice.

The Warren E. Burger Award was presented to Congressman KASTENMEIER by Earl F. Morse, who chairs the ICM's Board of Trustees. I would like to insert in the RECORD the remarks that Mr. Morse made during the award ceremony.

Mr. Chairman, Chief Justice Burger, members of the Judicial Administration Division, ladies and gentlemen:

The Warren E. Burger Award is presented annually by ICM to an "individual who has made a major contribution to the development of court administration". Today we make our twelfth award to another person who completely satisfies the award's criterion.

The procedure to select the recipient of the award is to secure nominations from various sources, for a committee of our Board of Trustees to study these and to make its recommendations, and then for the Board to select the recipient. Once this is done, we request the privilege of presenting the award at this luncheon as has been traditional, and we are again grateful to your Division for granting us this privilege.

The recipient of the award for this year is Congressman Robert W. Kastenmeier of Wisconsin. For a decade his efforts to preserve and enhance the quality of the judiciary and the judicial process have been outstanding. The list of legislation in which he has had a significant role includes many innovative—and often controversial—measures, such as those dealing with magistrates, dispute resolution, judicial council reform, the State Justice Institute, the Intercircuit Tribunal, and bankruptcy reform. The list also includes measures—such as the reform of judicial survivors annuities, district court organization, witness fees, jury system improvements, and civil priorities elimina-

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tion—which may appear more prosaic, but have been vitally important contributions to the administration of the federal judiciary.

This is the first occasion on which the gentleman for whom this award is named has been present at its presentation. I am certain that he heartily applauds our selection and that, as Chairman of the Visiting Committee of ICM, he joins with me as Chairman of its Board, in endorsing our choice. I am certain, too, that all of you will readily agree that Congressman Kastenmeier's dedication and commitment to the improvement of the administration of justice makes appropriate his selection for this honor and it is with a deep sense of satisfaction that, joined by Chief Justice Burger, I present to him the Warren E. Burger Award.●

**IT'S TIME FOR THIS ADMINIS-  
TRATION TO START CARING  
ABOUT FARMERS**

**HON. JIM ROSS LIGHTFOOT**

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. LIGHTFOOT. Mr. Speaker, in the 6 months since I took office, no concern has loomed greater to me than the despair facing our Nation's farmers. I've visited scores of towns and talked with thousands of my farm constituents over the past few months, and they feel that they have been forgotten by Washington.

I am inclined to agree.

This attitude by Washington must cease if we are to preserve farming as we know it. With David Stockman gone, perhaps this administration will become a little more understanding of the problems facing rural America—it's got to—we can't survive with much more of this "I don't care" attitude.

Beginning with the veto of the emergency farm credit bill I worked to pass and continuing through today with the careless attitude toward the precarious state of the Farm credit system, I have seen little evidence that this administration even cares if farming as a lifestyle continues.

I've spent most of my life in agriculture. It is the most important activity in my congressional district, and it troubles me that Washington continues to take farmers for granted in this time of trouble. Upon taking office in January, I immediately became a member of the House Agriculture Task Force to assure my continued involvement in national issues important to agriculture. The first piece of legislation I introduced was to ease the burden on farm families caught in the farm crisis. The first time I spoke on the floor of the House of Representatives, it was to call attention to the farm crisis. Yet today, the problems of agriculture are as great as ever.

And now we are faced with financial troubles in the Farm credit system. When will the problem be critical enough for this administration to sit

up and take notice? We can't wait much longer.

Within the next couple of weeks, I will be sending all of my farm constituents a comprehensive questionnaire on their attitudes toward national agriculture policies. I plan to share the results of this survey with the administration in the hopes that they will be convinced just how serious our problems in rural America are, because apparently they are getting faulty readings or bad advice—I'm not sure which.

In the one area where this administration could follow its own stated policies and help farmers—the policy of cutting Government spending—they are failing as well. I've consistently supported an across-the-board freeze at every opportunity in Congress, yet the administration refused to accept this option. Unfortunately, an across-the-board freeze, including defense spending, is the only fair way to achieve the necessary, yet painful goal of cutting deficits.

After holding numerous farm listening post meetings all across my district in Iowa over the past few weeks, I am compelled to tell this administration what my constituents are thinking. The present state of affairs cannot continue. I am putting the administration on notice that I will not stand idly by while agriculture is ignored. At every opportunity, I will continue pushing the concerns and needs of my Iowa farm constituents until agriculture's economic state improves. That means existing policies must change.

We must have a farm bill that gives us some hope for the future and I commend the House Agriculture Committee for their efforts thus far in working to create a bill. I've also called upon the committee to undertake an investigation of the farm credit system, and my request met with favorable results.

If Congress can recognize the importance of agriculture to America, why can't this administration?●

**EXPANDED CAPITAL OWNER-  
SHIP AND THE IDEOLOGICAL  
HIGH GROUND**

**HON. PHILIP M. CRANE**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. CRANE. Mr. Speaker, today I am including another segment of a series of discussions on the concept of expanded capital ownership. Today's material was given at the baccalaureate of the J.E.B. Stuart High School in Fairfax, VA, on June 4, 1985, by Dr. Faruq Abdul Haqq, representative of the Islamic Center to the Interfaith Conference of Metropolitan Washington. His comments expand upon the

ideas already presented by Christian and Jewish philosophers, and highlight the transcendental importance of the concept of expanded capital ownership. From it we learn that the ideals life, liberty, and equal access to productive private property are all fundamental tenets of the Koran. I hope my colleagues will take a few moments to read Dr. Haqq's comments.

THE BEAUTY AND MEANING OF THE QUR'AN:  
SOURCE OF SOCIAL AND ECONOMIC JUSTICE  
(By Faruq Abdul Haqq)

THE FATIHA, FOUNT OF WISDOM

The first Sura or chapter of the Qur'an is called al Fatiha, which means "the opening." Al Fatiha is a seven-verse condensation of the entire Islamic scriptures. All sincere Muslims recite it, if they possibly can, five times every day at the beginning of the canonical prayers.

The Qur'an and the Fatiha are simple, with no mysteries, and merely express the knowledge and urges inherent in man's nature. This knowledge and corresponding way of life are known as the Deen or primordial religion revealed by God to all communities of men in all ages since men first appeared on earth.

In Islamic thought, subjectively all good people are Muslims, even if they do not know it, because they unite their will with the will of God, and therefore pursue the good and oppose the bad, which is the definition of a Muslim.

Objectively, the second criterion of a Muslim is his belief that the Qur'an is the direct, revealed Word of God, Subhanahu wa Ta'ala. That is why chanting the Qur'an is the center of so many Muslims' spiritual life.

We do not recite the Qur'an; we chant it, because the cadence makes it easier to remember the words and the rhythm helps to concentrate our thought on the Word of God. For Muslims, Qur'anic chant is the world's most beautiful form of art.

Here is the beginning of the Qur'an al Karim:

This is beautiful as a work of art. But what does it mean? We will look at each of the seven verses.

Verse 1: *Bis'm Allah ir-Rahman ir-rahim: "In the name of God, Most Gracious, Most Merciful."*

This verse has three parts:

(a) *Bis'm Allah, "in the name of God,"* refers to God as the ultimate reality. God is absolute in every way, beyond space, time, form, and concept, and all else is contingent upon Him. This is the basic metaphysics of Islam, and nothing in Islam makes sense without it.

(b) *al-Rahman, "Most Gracious,"* refers to God as the creator of the observable universe and as the ultimate power and bottom line in it. Existence itself is a grace or gift of God.

(c) *al-rahim, "Most Merciful,"* refers to God as the merciful sustainer of man and of all His creation, and as the origin and end of all love both on earth and in heaven.

As an introduction to the Qur'an, this first verse of the first Sura means that God, not man, is the source of all truth and of all principles of knowledge. This first verse means that God therefore is the ultimate sovereign, the source of all moral value and authority, the center of our Being, and the purpose of our life.

This is true for us as individual persons and as members of the human community

at all levels, beginning in the nuclear family of husband and wife, which is the basis of all social life.

Verse 2: *Al Hamdulillah, Rabbi al 'Alamin: "Praise be to God, the Cherisher and Sustainer of the Worlds."*

This verse has two parts:

(a) *al Hamdulillah, "Praise be to God."* What does this mean. Sura 39:75 concludes with the revelation that after the Last Judgment "the cry on all sides will be 'Praise Be to God, Lord of the Worlds'."

This describes the atmosphere of the final bliss in heaven in the direct presence of God. And it points to God whose nature is not terror and revenge but rather is perfect good and perfect love.

(b) *Rabbi al 'Alamin, "Cherisher and Sustainer of the Worlds."* The word *Rabbi* is usually translated as Lord, but *Rabb* means loving sustainer. God not only created the world but constantly plays a creative role in it by sustaining, guiding, and renewing all that He has created. All existence is in constant flux under the guidance of God.

The meaning of this phrase, *Rabbi al 'Alamin*, is indicated in many places in the Qur'an (see Yusuf 'Ali commentary notes 423, 1389, 2436, 4027, and 4569) but especially in Sura 42:29, which reads: "And among His signs is the creation of the heavens (plural) and the earth and the living creatures that He has scattered through them; and He has the power to gather them together when He wills."

Traditional commentaries interpret this as a reference to the three orders of beings, the *Nasut* (our three-dimensional world), the *Malakut* (the invisible world of the angels), and the *Lahut* (a still higher world incorporating the entire divine world of reality).

In addition, however, according to this big Yusuf 'Ali commentary, which is the most popular one in America if not in the world, this verse refers to all the persons on all the planets in all the galaxies of our universe, like E.T., who will come together for judgment and reward on the Last Day.

This verse emphasizes the nature of Islam as a universal religion with no exclusiveness or narrowness or selfishness in its approach to any person created by God. Islam acknowledges that in its origin each of the major religions is divinely revealed, each in a different way, and that they all reflect the truth, beauty, love, mercy, and guidance of God.

Verse 3: *Al-Rahman, al-rahim: "Most Gracious, Most merciful."*

In a different context, this gives more enlightenment on the first verse. There is no repetition in the Qur'an, but only further elucidation through contextual development.

Verse 4: *Maliki Yawm id-Deen: "Master of the Day of Truth (or Last Judgment)."*

This middle verse of the Fatiha emphasizes that God is all-powerful and just. At the end of time, at the Last Judgment, there will be a new world in which He will reveal to every person the full nature of the eternal truths and values and the full extent of his or her acceptance or rejection of these truths.

Those who have made an effort to know, love, and submit to God will be rewarded far beyond their merits by remaining forever in the presence of God.

Anyone who erred or was weak but asked God while still on earth to forgive him whatever he has done wrong will be shown infinite mercy.

But anyone who deliberately rejected whatever knowledge was available to him,

and worshipped himself, or wealth or power, or any intellectual concept, or anything else as an ultimate value in defiance of God and as a rival to God, will receive perfect justice and be denied the presence of God forever. Everyone on the final day of truth will fully understand that to be cast away from God forever is the worst fate imaginable.

Verse 5: *Iyaka na'budu, wa iyaka nasta'en: "We worship you, we ask you for help."*

After contemplating the attributes of God in the first four verses, one's mind is sufficiently elevated above the distractions of the world to worship God.

This verse has two parts:

(a) \* \* \* is the emphatic form in Arabic grammar and means that we worship God *alone*, and reject all else as an ultimate goal in life or rival to God. The original Arabic, as here, often has many levels of meaning, which is why the Qur'an cannot be translated.

\* \* \* is expressed negatively in the Islamic creed by the profession of faith "la illah ille Allah," "there is no god other than God."

By this we acknowledge to God that in all His attributes He is infinitely above anything we can possibly imagine and that we are dependent entirely on His Love and mercy for granting us whatever understanding we have of Him.

(b) . . . *Iyaka nasta'en, "we ask you for help,"* means "You alone do we ask for help." By this the Muslim confesses his belief that there are no intermediaries between the individual soul and God.

The Muslim does what he can to follow God's will and do what he thinks is right, but he admits that his success and failure in every undertaking is, in the last analysis, entirely up to God, who knows and plans the future. This is why no Muslim ever says he will do anything, without adding "insha' Allah," meaning "God willing."

Verse 6: *Ihdinas al Sirat al Mustaqim: "Show us the straight path."*

This is a prayer for guidance asking God to show us the difference between right and wrong, because to know this we cannot trust entirely to ourselves alone. We must rely on God as He reveals His will through our conscience, through the certain revelations of the great Judeo-Christian prophets and the Qur'an, and through both intuitive and experimental or scientific study of the harmonies and beauties of nature.

This is also a prayer not only to show us the right path but to protect us in time against our own self-will and wilful blindness in rejecting what we know is right.

Verse 7: *Sirat illatheena an'amta alayhim, ghairi al Maghdubi 'alayhim, wa la Dhaleen: "The way of those on whom thou hast bestowed Thy grace, Those whose (portion) is not wrath, and who go not astray."*

This last verse of al Fatiha explains what we ask God to protect us against, that is, especially against our own self-will and wilful blindness, but also against simple indifference and straying because of negligence, because both self-will and indifference lead away from God. Sin for a Muslim is simply forgetting God, because experience shows us that this results in evil.

This last verse of the Fatiha is introduced by a prayer for guidance so we can follow the example of those who love God and have thereby become instruments of God's will in building a better world of justice and peace.

Muslims revere Jesus Christ as a perfect manifestation of God's love, but they try to follow especially the personal example of the Prophet Muhammad, sala Allahu 'alaihi

wa Salam, and of his immediate followers, known as the Sahaba, radi Allahu anhum. They built a new society in Medina 1400 years ago based on the five human rights in Islam: life, liberty, dignity, and equal access to education and to productive private property. Together these principles form the essence of the just society and of the human harmony and peace that result from justice. ●

**DINESH D'SOUZA ON ROBERT JASTROW'S "HOW TO MAKE NUCLEAR WEAPONS OBSOLETE"**

**HON. JIM COURTER**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. COURTER. Mr. Speaker, I want to bring to my colleagues attention an incisive and thoughtful review by Dinesh D'Souza of Robert Jastrow's new book, "How To Make Nuclear Weapons Obsolete."—National Review, July 12, 1985.

The review elucidates Dr. Jastrow's well-reasoned arguments, and exposes his refutation of the faulty arguments by the Union of Concerned Scientists:

**BUILD UP, BUILD DOWN**

(By Dinesh D'Souza)

One reason we aren't hearing much these days from the nuclear-freeze movement, which only three years ago assembled half a million supporters in New York City, is that President Reagan, with his March 1983 speech advocating strategic defense as a means to "make nuclear weapons obsolete," appropriated its objectives and rhetoric.

Not many Americans know, Robert Jastrow writes, that "for 13 years the official policy of the U.S. Government has been to keep the American people defenseless against a Soviet nuclear attack." Fewer still realize that the loudest voices calling for arms control are also the most strident critics of efforts by the U.S. to build such a defense—they prefer an equitable balance of terror to disarmament. Paul Warnke, President Carter's chief arms-control negotiator, called efforts to move away from Mutual Assured Destruction (MAD) "dangerous."

Two main arguments are advanced against strategic defense. First, that it won't work—that it is a "pie in the sky," as Richard Garwin of the Union of Concerned Scientists (UCS) put it. Second, that it is destabilizing because "the Soviets may be tempted to launch a pre-emptive strike" aimed at a system designed to render their arsenal virtually harmless (as another UCS report claimed). In the 1984 campaign, Walter Mondale also warned against the prospect of "an arms race in the heavens."

These arguments are contradictory, since, if strategic defense cannot work—if it is indeed a proposal out of a science-fiction novel—then the Soviets could hardly be worried about the U.S. spending \$26 billion on a hopeless boondoggle, and Mondale would not have to fret over the risks of celestial contamination. The real reason strategic defense upsets the arms-control establishment in the U.S., as well as the generals in the Kremlin, is that it threatens to dispense with the balance of terror—with MAD—and to give the West defensive insurance against a Soviet missile attack.

Professor Jastrow, the founder of NASA's Institute for Space Studies and one of the nation's outstanding physicists, examines in some detail the technological reasons why some missile defense is viable now and a near-perfect defense is a reasonable hope for the future. In the process, he demolishes the case against strategic defense advanced by the UCS, whose acknowledged error by a factor of 1,600 in estimating the number of satellites needed to counter a Soviet attack should disqualify it from further participation in the debate.

Jastrow calls for a two-tiered defense—a boost-phase defense, which would explode Soviet missiles as they rose above the atmosphere, destroying both the missile and all its warheads, and a terminal-phase defense, which would intercept the warheads at the end of their trajectories, as they arced toward their targets in the United States. After a fascinating discussion of such defensive weapons as the "smart bullet," electromagnetic railgun, neutral-particle beam, and X-ray laser, Jastrow concludes, "The technologies are already in hand that will allow us to put into place in the early 1990s a simple but highly effective defense at a cost of \$60 billion. A conservative estimate of the effectiveness of this defense is 90 per cent."

Critics are right in arguing that strategic defense can never provide a perfect defense against Soviet attack: No defense is 100 per cent reliable. But Jastrow points out that this is hardly an argument against its implementation. The fact that a bulletproof vest is not guaranteed to save your life is not a strong justification for eschewing it when you are in danger. Surely it is better to have a defense that could save 200 million lives than to have no defense and jeopardize everybody.

Even more important, strategic defense would reinforce deterrence, because it would "greatly complicate the planning of a [Soviet] first strike," as Zbigniew Brzezinski put it. A defense of U.S. silos, even a partial defense, would increase the uncertainty of a Soviet missile attack and multiply the probability of a devastating U.S. response. Those who claim that strategic defense will undermine deterrence confuse deterrence with MAD, Jastrow argues. ●

**U.S. POLICY TOWARD THE BALTIC STATES**

**HON. ROBERT H. MICHEL**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. MICHEL. Mr. Speaker, on June 20, 1985, I inserted in the RECORD an interview with George Urban, Director of Radio Free Europe [RFE], published in the Washington Times, June 19, 1985. In commenting on that very informative interview, I pointed out that RFE and not Radio Liberty [RL], which broadcasts to the Soviet Union, now has Lithuania, Latvia, and Estonia in its area of coverage. This is an important point because the U.S. Government has never recognized the Soviet Union's takeover of the Baltic States. I commended RFE's policy, since it reflects official U.S. foreign policy toward the conquered Baltic nations. Then I stated:

"Is there a Latvian, Lithuanian, or Estonian 'desk' in the State Department? To my knowledge there is not. Why not?"

I have since learned that the U.S. State Department has an official responsible for Baltic State affairs who deals officially with representatives of the Baltic States legations in Washington.

I have also learned that the Voice of America, our Nation's official international broadcasting station, also places these nations in the European division, not the U.S.S.R. division. According to Voice of America Director Gene Pell—in a speech given before the Baltic American Freedom League's Fourth Annual Human Rights Conference, March 23, 1985:

"This is another way of affirming the United States does not recognize the forcible incorporation of Latvia, Estonia, and Lithuania into the U.S.S.R. We never have; we never will."

At this point I wish to insert in the RECORD the text of director Pell's remarks entitled "Public Diplomacy and the Voice of America," as they were reprinted in the Baltic Bulletin, volume 4, No. 2/3, May 1985:

**PUBLIC DIPLOMACY AND THE VOICE OF AMERICA**

This evening I want to tell you about the Voice of America's role in public diplomacy, and about modernization plans, so we can better reach our Baltic and other listeners with a stronger signal, longer and more innovative programs, and better broadcast hours.

Public diplomacy is nothing new to Baltic Americans. It's something you have practiced for years, through radio, television, and print media. Thanks to efforts of groups like yours, American and international media are increasingly aware that Soviet violations of human rights and attempts to decimate the traditional cultures of the Baltic states are important news stories. They deserve the same column inches of air time as news of the Soviet presence in Afghanistan or Moscow's disruptive activities in Central America.

Public diplomacy, by groups like this one, helps set the historical record straight and gives perspective and meaning to current news. As President Reagan said in his recent State of the Union Address: "Freedom is not the sole prerogative of a chosen few; it is the universal right of all God's children. . . . We cannot play innocent abroad in a world that is not innocent. Nor can we be passive when freedom is under siege."

President Reagan summarized the mission of the Voice of America in public diplomacy: "By giving an objective account of current world events, by communicating a clear picture of America and our policies at home and abroad, the Voice serves the interests, not only of the United States, but of the World."

Today, there are more radio sets than at any time in world history. In our time, radio, more so than television or print media, represents the surest way of communicating directly with people across international borders, whether or not their govern-

ments approve it. That may come as a surprise to some, but consider the numbers. There may be a billion radio receivers in the world, 400 million of them equipped with shortwave bands. In the Soviet Union, the number of radios has increased from 3.5 million in 1950 to almost 160 million sets in the mid '80s, possibly 75 percent of them capable of receiving shortwave broadcasts.

Most Americans aren't shortwave listeners, but in much of the world, shortwave broadcasts represent a lifeline of communication. For example, a Latvian couple wrote VOA to ask if an announcer would be their infant daughter's godfather. They said, "We listen to you every day and feel you are part of our family. If we had been blessed with a son, we would have named him after you."

As might be expected, we and the Soviets represent different positions on radio's role in public diplomacy. We emphasize timeliness, accuracy in our news, and high professionalism in all our programs, trying to reflect the breadth and diversity of America. They focus on the ideological shaping of every minute of broadcast time for political purposes.

Thus, in 1971 VOA announced the death of Nikita Khrushchev two days before *Pravda* and Radio Moscow told the Soviet people of his demise. Following Konstantin Chernenko's death, we broadcast diverse opinions from numerous experts on Soviet-American relations about the Soviet successor question and its internal and external impact for Russia and for the world. That would be unthinkable on Radio Moscow.

President Reagan contrasted the two broadcast systems this way: "Accurate news . . . is about as welcome as the plague among the Soviet elite. The Soviets spend more to block Western broadcasts coming into those countries than the entire budget of the Voice of America." What kind of a political system, in the closing decades of the twentieth century, needs to ring its populated centers with jamming transmitters, to keep the news, music, and opinions of other countries from the minds and ears of its people?

At VOA, the basic charter, establishing our role in public diplomacy, is a carefully reasoned bipartisan document. President Gerald R. Ford signed it on July 12, 1976. It requires us "to serve as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and comprehensive." Second, the charter says, "VOA will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions." Finally, "VOA will present the policies of the United States clearly and effectively and will also present responsible discussion and opinion on these policies."

Let's start by placing VOA's capabilities in perspective. We broadcast in 42 languages; Radio Moscow in 81, almost twice as many. We will be on the air almost 1,004 hours a week by March 31; Radio Moscow broadcasts more than 2,175 hours. That's more than double our air time.

VOA has six 500 kw transmitters; not true 500's, but combinations of aging 250 kw transmitters; the Soviet Union and its allies have 37, more than six times our capacity. And France, West Germany, and Great Britain each have more 500 kw international broadcast transmitters than the United States.

A third of our 108 transmitters are at least 30 years old; 80 percent of them are at least

fifteen years old, relics of an earlier era of broadcast. Our Munich installation was seized from the Third Reich during World War II. Since spare parts for much of this equipment are no longer manufactured, our engineers have ingeniously crafted replacements and found ways to keep us on the air.

Basically, what we face is a critical mandate in public diplomacy and inadequate equipment; a significant role to play in the conduct of our nation's foreign affairs, but tools which are museum pieces and technology belonging to an earlier time.

The President described our plight, and declared his strong support for our modernization plans at the White House signing ceremony concluding the Voice of America's agreement with Morocco on March 1, 1984. He said: "Were it not for many years of neglect, the Voice of America could be heard more clearly by many more people around the globe. And that's why our administration has made the same kind of commitment to modernizing the Voice of America that President Eisenhower and President Kennedy brought to the space program."

Through the efforts of President Reagan, and USIA's Director, Charles Z. Wick, and through the interest and support of groups like the Baltic American Freedom League, and the constituencies you represent, the Voice of America is now undergoing a \$1.3 billion modernization program. For FY 1985 VOA obtained an \$85 million appropriation from the Congress as a first step. That's one step. There are many more to take.

What will our technical modernization program give us? If funding and diplomatic activity are sustained at a high level, by the end of this decade, the United States will have an international broadcasting capability equal to its position of influence and strength in the world.

In particular, we will have a much strengthened signal into the Baltic states, and into the Soviet Union, including Soviet Central Asia, the populated parts of Siberia, and the Soviet Far East. This is crucial to our ability to overcome jamming, since as I indicated, most major cities in the Baltic states, the European USSR and some in Eastern Europe are ringed by jamming transmitters or covered by skywave jamming. We will also have a clearer signal into Eastern Europe, where VOA's audience is growing, even under present conditions, and much improved coverage to other world audiences, including medium wave coverage of all of Central America and the Caribbean, and improved shortwave coverage of South America.

Finally, our technical improvements will allow us to increase broadcasting hours in existing languages and add several new language services. It will also give us more and better broadcast time in Estonian, Latvian, and Lithuanian.

Now, let me tell you about our program modernization. Let me start with our Baltic services. As you know, these three services are part of our European division, not our USSR division. This is another way of affirming the United States does not recognize the forcible incorporation of Latvia, Estonia, and Lithuania into the USSR. We never have; we never will.

At present, each of the three Baltic services broadcast 75 minutes a day, in two thirty minute evening shows and one fifteen minute morning show. On September 29, 1985, the Baltic services will have somewhat improved air times to reach more listeners.

The subject of this conference is Human Rights. The substance of many of our re-

ports to the Baltic states is about human rights. All our Baltic services make significant use of the President's remarks in observance of Captive Nations' Week and the State Department's annual Human Rights Report. Other presidential acts and proclamations on human rights are extensively covered, as are related events like Human Rights Day, Captive Nations Week, Baltic Freedom Day, and the Baltic Nations' independence days.

You should know that VOA now carries editorials, as part of its charter mandate to "present the policies of the United States clearly and effectively." A newspaper distinguishes between its news and editorial pages and we begin and end our editorials with a statement that they are "reflecting the views of the U.S. Government." Here is an excerpt from an editorial we carried to listeners around the world on human rights and the Baltic nations: "The Soviet rulers never have defeated—and never will defeat—the courageous struggles of the Baltic peoples to retain their unique national identities and achieve their fundamental human rights. Free men throughout the world share these just aspirations. Our government, as President Reagan stated . . . upholds the right of the Baltic nations to determine their own national destiny, free of foreign domination."

Let me cite some other examples of our human rights reporting: Valdo Randpere, a deputy to the Minister of Justice and instructor of the Central Committee of Komsomol, in Soviet Estonia, and his wife, pop-singer Leila Miller, defected to Sweden last August sixth. The Baltic American Freedom League sponsored a subsequent visit to the United States, enabling the Estonian and Russian services of VOA to conduct several interviews with them. Our Latvian service continues to carry news of Latvians confined to Soviet prisons for insisting on their human rights and religious freedoms. A recent feature used material from the Latvian Youth Congress on a prisoner of conscience, Gunars Astra.

VOA's Lithuanian service likewise provides frequent reporting on human rights. For example, on February 22 it noted that Lithuanian dissident Vlados Lapienis was arrested a third time for antigovernment activity. Three days later the service reported that a Lithuanian dissident priest, Jonas Matulionis, was sentenced to three years hard labor for organizing a religious procession.

We are proud of VOA's role in public diplomacy, proud, too, of our country's support for human rights, and of America's international radio network carrying frequent reports on this important topic.

For the Voice of America, we are portraying a free and dynamic society, a restless creative society on the move. We are advocates for that society, and its human rights policies, of its dynamism and diversity. We need your support. We solicit your views. We hope we fully reflect the country of which we are a part. ●

#### OPPOSING CONTRAS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. DONNELLY. Mr. Speaker, on the two occasions in recent months

that the House considered the administration's request for renewed funding for the Contras in Nicaragua, I have voted against the resumption of such aid. I opposed the request because of my deep and long-held belief that there is another, more positive role for America to play in Central America.

The most effective way to highlight the shortcomings and abuses of a totalitarian regime is to draw attention to area governments that are striving to build a lasting peaceful and just society for its citizens. El Salvador, under the leadership of President Jose Napoleon Duarte, is a prime example. Even though beset by a guerrilla insurgency that systematically attacks economic targets and threatens those who seek to participate in open elections, the democratically elected government of President Duarte has made significant progress. His party, the Christian Democrats, has built a working majority in the National Assembly. Duarte has now been endorsed by the people of El Salvador in several internationally observed open elections. He has taken action to rid the armed forces of individuals tied with rightist death squads. Duarte sought and held talks with rebel leaders in the town of La Palma last year in the earnest hope of ending the conflict. He continues to seek further talks with rebel leaders, even though they have now hinted that he might be a potential assassination target by forces under their control. Duarte refuses, and rightly so, to grant the guerrillas a share of power in the government by executive fiat. If they legitimately seek a role in the constitutional democracy, they should have the courage Duarte has to compete in free elections. One can only surmise that the guerrillas recognize that they lack popular support in their war of attrition.

Three weeks ago, members of the guerrilla forces opened fire in an outdoor cafe in San Salvador. When the smoke cleared, four unarmed, off-duty American Embassy marine guards had been murdered, along with nine civilians. Instead of attempting to distance themselves from responsibility for this terrorist atrocity, the rebel leaders have boasted that the attack marks a new facet in their campaign of terror.

Joaquin Villalobos, one of five leaders of the general command of the guerrilla forces, was quoted in a press conference as saying, "We really have no commitment to the constitution," and "There is no condition under which we would lay down our arms, because we are not willing ever to lay them down." When asked about the murderous attack in San Salvador, the rebel leaders stated that, "It's not true that this was an operation to massacre, to kill. It was an operation directed against military objectives."

At this time when the guerrillas have embarked on a new campaign of terror in the streets, it is critical that there be no uncertainty whatsoever about the commitment of our country to support the Duarte government of El Salvador, and to assist in every way possible the creation of lasting democracy and peace in that ravaged land. I recognize the budgetary constraints under which the Western Hemisphere Subcommittee had to operate during deliberations on appropriate assistance levels of Central America. However, I strongly believe that reducing aid below current levels to the Duarte government is an illtimed and unwise direction for this House to take. This is the reason why I offered an amendment to ensure that U.S. assistance to El Salvador does not fall below current levels.

Democracy is struggling to survive in El Salvador. President Duarte has amply displayed the courage and commitment necessary to lead his country into a peaceful, prosperous future. Neither the extreme right nor the extreme left has been able to stop him, or frustrate his vision for a just, democratic society in which all the Salvadoran people can live in peace.

I suggest we should not allow even the hint of uncertainty in our commitment to the constitutional, democratically elected Government of El Salvador. What we do here is watched very closely by both our allies and our adversaries. Let us insure that the signal we send is an unambiguous reaffirmation of our support for the Duarte government, and its remarkable progress in the face of tremendous obstacles.●

TRIBUTE TO EDWARD P.  
McCANN

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. ATKINS. Mr. Speaker, today I would like to pay tribute to Edward P. McCann of Framingham, MA—an individual who has been a leader in the labor movement, active in the political arena, and an outstanding citizen and public servant.

For over 35 years, Ed McCann has been a labor leader in the communications field. He has recently decided to retire from his job as New England area director for the Communications Workers of America. In this capacity, he has been charged with the responsibility for all labor relations and negotiations with many major New England area employers, including such firms as New England Telephone, Western Electric, and AT&T.

Ed has been active in party politics throughout the years. He served with distinction as labor coordinator for

both Robert Kennedy and George McGovern in their races for the Presidency. Presently, Ed serves as a member of the Transition and Advisory Committee for Massachusetts Governor Michael Dukakis.

As a dedicated public servant, Ed serves as the director of the Massachusetts Industrial Finance Agency and the director of the New England Labor Management Center.

He is also an honored veteran of World War II. During his active duty period, Ed performed with meritorious service in the U.S. Navy Construction Battalion [CB's] in selected forward positions in the South Pacific area.

In addition to being an outstanding public servant and citizen, Ed is a loving husband and father. He and his wife Frances are the proud parents of nine and grandparents of four.

Mr. Speaker, while it is satisfying to look back over Ed's past achievements at this time of his retirement, it is even more gratifying to look forward to his continued involvement and commitment to these activities to which he has already contributed so much.●

D-5 WARHEAD

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. MARKEY. Mr. Speaker, during consideration of the Department of Defense authorization bill, I had planned to offer an amendment to put the Trident I warhead on the Trident II missile.

Unfortunately, I was unable to offer this amendment due to the press for adjournment for the 4th of July recess, which curtailed debate on the defense bill.

I would like to take this opportunity to explain what this amendment does, for I intend to offer it again in the future.

My amendment would have deleted the entire \$60.7 million contained in this year's bill for the production facilities for the W88 warhead, known as project 84-D-112.

It also would have required the Navy to arm the D-5 missile with the 100-kiloton warhead presently used on the Trident I, rather than the new high yield warhead being developed for the D-5. This requirement would be limited to fiscal year 1986, long before the missile is scheduled to be deployed. It therefore represents a temporary restriction, which could be lifted if Congress decided to proceed with production and deployment of this warhead at some future date.

My amendment would not have interfered with production of the D-5 missile itself, but would defer for 1 year further construction of the facili-

ties needed to produce the high-yield warhead for this missile. It would allow this warhead to be fully developed and tested, so that preparations for its production could be resumed in future years.

I wanted to offer this amendment because I do not think that we have fully thought through the implications of deploying a D-5 missile with a counterforce capability. Before we continue any further down this road, I believe we should pause to consider whether we really want to deploy this new missile as a first-strike weapon.

As an opponent of the D-5, I was disappointed when the House voted down the Weiss amendment to cut all funding for production of this missile.

I believe that we would be far better off if we did not deploy the D-5 at all, and instead kept the C-4 production line open. But it is obvious that many of my colleagues disagree with this view.

I suspect that many voted against the Weiss amendment not because they wanted the United States to acquire a first-strike capability, but because they think the D-5 will have a longer range and therefore make our subs more survivable. This is hardly surprising, since the D-5 was originally developed to give the U.S. submarine force greater range, survivability and more warheads per missile.

Very few realize that when the Pentagon decided to turn the D-5 into a counterforce missile, it decided to deploy it with a new, more powerful warhead, known as the W88. This warhead is reported to have a yield of some 475 kilotons—some 34 times as powerful as the Hiroshima bomb.

The combination of this new high-yield warhead and the improved accuracy of the D-5 makes it a silobuster.

But this same combination also reduces the maximum range of the D-5. Since the high-yield W88 warhead is much heavier, the D-5's range will be about the same as that of the existing C-4 missile—about 4,000 miles according to Vice Admiral Thunman, the Navy's Deputy Chief of Naval Operations for Submarine Warfare.

I would remind my colleagues that the increased size and carrying capacity of the D-5 can be used for several purposes:

It can be used to carry the same number of Trident I warheads up to a range of some 6,000 miles.

It can be used to carry as many as 14 Trident I warheads at the same 4,000-mile range.

It can be used to carry eight of the heavier, high-yield W88 warheads over the same 4,000-mile range of the Trident I.

It can be used to arrange some combination of these three basic options.

I noticed in last week's debate that there still seems to be a great deal of confusion over this particular point.

It seems to me that if we are going to proceed with the D-5—as many of my colleagues obviously want to do—we are going to have to figure out whether we want this new missile to be a survivable long-range retaliatory weapon, or a shorter range first-strike weapon.

The Navy has designed the D-5 so that it can carry either warhead. It has not made a firm decision on how it plans to mix the two in the force. According to recent Navy testimony, some of the D-5's will carry low-yield Trident I warheads, and some will carry the new high-yield W88.

According to Rear Adm. Glenwood Clark, manager of the Navy's Strategic Systems Project Office, the D-5 would have approximately the same accuracy with either warhead. The main difference between the two is their hard target kill capability.

So we have to ask ourselves, do we really want to deploy this missile with a highly destabilizing first-strike capability, or do we basically want it to be a retaliatory weapon?

If we were to deploy the D-5 with the lower yield warhead, it would still be able to destroy a wide range of Soviet military and industrial targets, but it would not be able to threaten a disarming first strike.

Since we all know that there is no point in destroying empty Soviet silos, acquiring such a capability is useless unless we intend to strike first.

And it is against U.S. policy to strike first.

I say that if we are going to go ahead with the D-5, we should return the missile to its original purpose—increasing the range, and therefore the survivability, of the U.S. sea-based missile force.

We should not deploy it as a silobuster.

I submit the following fact sheet, describing my amendment in greater detail.

**FACT SHEET ON MARKEY D-5 WARHEAD  
AMENDMENT  
CURRENT STATUS OF THE TRIDENT II (D-5)  
MISSILE**

In 1989, the U.S. Navy will begin deploying the Trident II (D-5) missile on strategic submarines, beginning with the ninth Trident boat. By 1999, the entire projected force of 20 Trident submarines will have been fitted with the new missile. Utilizing the full space of the Trident submarine's missile tubes, each D-5 will be capable of carrying a much larger payload with far greater accuracy than the existing Trident I missile.

The D-5 was originally developed to give the U.S. submarine force greater range, survivability and warheads per submarine. More recently, however, the Department of Defense has justified the missile primarily in terms of its significant hard-target, counterforce capability. Toward this goal, the Department of Energy has been directed to develop a new, extremely powerful warhead,

the W88.<sup>1</sup> The combination of greatly improved accuracy and high yield will put even the hardest of existing Soviet missile silos and bunkers at great risk. The missile will also be configured to carry the lower yield W76 warhead now deployed on the Trident I missile.<sup>2</sup>

**THE MARKEY AMENDMENT**

The amendment prohibits the obligation or authorization of any funds for the production of any warhead other than the W76 on the Trident II missile. In effect this prohibits the production of the 475 kiloton W88 warhead<sup>3</sup> for the Trident II, in favor of the 100 kiloton W76. It would allow the W88 to be fully developed and tested, so that production could be initiated in future years. The amendment will accomplish the following important goals:

Return the D-5 to its original purpose of increasing the range, and therefore survivability, of the U.S. sea-based missile force.

Give the new D-5 missile the capability of targeting a wide range of Soviet military and industrial targets, but prevent it from attaining a highly destabilizing first-strike capability.

As our current force of 37 submarines shrinks to less than 20 in the late 1990s, it will maximize the number of warheads carried by each SLBM and each submarine.

By increasing the number of warheads carried by each Trident submarine, it offers the possibility of reducing the required number of these highly expensive boats.

**TRADEOFFS BETWEEN RANGE, WARHEADS AND  
YIELD**

The best missile in our submarine force is now the Trident I (C-4) SLBM, which can carry an average of eight 100 kiloton warheads over a range of 4,000 miles. The new D-5 missile will have more than twice the accuracy and more than 75 percent of the payload or carrying capacity of the Trident I. The large size and carrying capacity of the new Trident II missile can be employed for several different objectives: It can carry the same number of Trident I warheads up to a range of 6,000 miles; it could carry as many as 14 Trident I warheads at the same 4,000-mile range; or it could carry eight of the higher yield W88 warheads at 4,000 miles. The Navy could also arrange combinations of these three basic options.<sup>4</sup>

**GREATER RANGE AND SURVIVABILITY**

The D-5 missile was originally conceived and developed as a longer range (6,000 mile) follow-on to the Trident I. However, the DOD's current plans to fit the new missile with eight high yield warheads would result in no range increase over the Trident I. Restricting the D-5 to the lower yield W76 would preserve this important option. The task of Soviet anti-submarine forces becomes exponentially more difficult with an increase in the Trident missile's range. Expanding the range of the D-5 missile from 4,000 up to 6,000 miles would significantly enhance our submarines' survivability by dramatically increasing the ocean area from which they could operate. More than any other possible measure, increased range would counter mounting concerns over Soviet anti-submarine warfare developments.

**FEWER SUBMARINES WITH AS MANY WARHEADS**

The American strategic submarine force is currently undergoing a slow transition from a large force of 37 Poseidon and Trident boats to one that will consist of a significantly diminished number of Trident submarines in the late 1990s. By 1998, the

Footnotes at end of article.

United States will be reduced to 19 Tridents, as the entire force of 31 Poseidon submarines reach the end of their thirty-year life cycle. Although the new Trident submarines are larger than the Poseidons (24 vs. 16 tubes) and will be operational at sea for a larger percentage of their lifetime, the U.S. Navy will have less SLBMs on station in the 1990s than at present.

By requiring the Navy to deploy the lighter W76 warhead on the D-5, the missile could have more warheads as well as greater range. Thus, restricting the Trident II to the W76 will allow the United States to deploy just as many warheads at sea as it does now. Moreover, this option would allow the United States to stop at 20 Trident submarines, rather than continuing to acquire these extremely expensive boats in order to bring total missile and warhead levels up to their current status. This was also an original rationale for the larger D-5 missiles.

#### AVERTING A DESTABILIZING FIRST-STRIKE CAPABILITY

The Trident II missile is projected to achieve an accuracy on the order of 400 feet, almost as good as that of the MX. This extremely high accuracy, combined with the 475 kiloton W88 warhead, would for the first time give sea-based missiles the capability to destroy hardened Soviet missile silos and command bunkers. Unlike the MX, the Trident II will be able to hit Soviet targets within 10-15 minutes after launch from submarines based in the Atlantic, Pacific or Indian oceans. Moreover, with the completion of 20 Trident submarines in the late 1990s, between 2,500 and 3,000 of these warheads will be within striking distance of the Soviet Union at any time.<sup>5</sup>

Whatever U.S. intentions, Soviet planners would have to take the Trident II's first strike potential at face value. This large force of accurate SLBMs could simultaneously threaten the majority of Soviet land-based missiles and bomber forces. Even if the Trident II could not destroy all of Soviet ICBMs, its short flight time could threaten the Soviets with a decapitating strike at their leadership, command and control centers. In addition to pushing the Soviets toward a "launch on warning" policy, the deployment of the D-5 would spur the development of similar Soviet missiles. In periods of high tension or conflict, the threat posed by the D-5, and its inevitable Soviet counterpart, would force both sides toward dangerous hair-trigger responses and an incentive to launch a preemptive first strike.

Restricting the Trident II missile to the existing W76 Trident I warhead would preclude such destabilizing developments. Counterforce, or hard-target "kill capability", is a function of both accuracy and yield. The high accuracy of the Trident II is primarily the result of its advanced stellar inertial guidance system, which would be used for either the W76 or W88 warheads. (The W88 warhead/reentry package will be a little more accurate than the W76.) However, the difference in yield between the 100 kiloton W76 and the 475 kiloton W88 is the difference between a highly capable warhead, with some counterforce capability, and a real "silo-buster", with a very high probability of knocking out the hardest Soviet targets.

For example, two of the high yield W88 warheads fired at a Soviet missile silo hardened to 5,000 pounds per square inch (psi)—currently their hardest silos—would have a 97 percent chance of destroying it.<sup>6</sup> In comparison, two of the low yield W76 would

have about 75 percent probability of kill. Against the 10,000 psi silos the Soviets are projected to have in the 1990s—when the Trident II would be deployed in large numbers—two W88 warheads would still have a 94 percent probability of kill. Two W76 warheads would only have about 60 percent chance of destroying it. In other words, even if the U.S. targeted all Soviet silos with two warheads, the Soviets would still be left with at least 40 percent of their missiles. This would not be sufficient to have confidence in a first-strike attack.

In sum, the W76 would provide decent counterforce capability without achieving a first-strike potential. It could go after all but hardest, most critical Soviet targets. If, at some later point, Congress sees the need for the larger W88 warhead, it could easily initiate production. But once the W88 is produced and deployed on an D-5 missile, it will be next to impossible to reverse this unnecessary and destabilizing development.

#### FOOTNOTES

<sup>1</sup> See "New Warhead For Trident II," in Defense Week, Feb. 7, 1984.

<sup>2</sup> See testimony of Admiral Clark before the House Committee on Appropriations, March 15, 1984.

<sup>3</sup> William Arkin, "Sleight of hand with Trident II," Bulletin of the Atomic Scientists, December 1984.

<sup>4</sup> See Arkin's piece, as well as Defense Daily, March 15, 1986, p. 85. Fourteen W76 warheads is a reasonable projection based on the throw-weight of the D-5 as well as the maximum allowed by SALT II.

<sup>5</sup> With Trident boats on line for an average of 66 percent of their lifetime, approximately 316 Trident II missiles, with about 2500 warheads would be available at any time. In times of crisis, this number could surge to 3,000 warheads or more.

<sup>6</sup> The following calculations were made using General Electric's Missile Effectiveness Calculator. Accuracy for the D-5 was put at a CEP of .07 n.m. for both warheads. Assumes warhead/reentry vehicle reliability of 95 percent. ●

#### PUBLIC OPINION POLL RE HOSTAGES

#### HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. DYMALLY. Mr. Speaker, The sentiment conveyed to us by the families of the remaining hostages are not limited to immediate family members, rather if we examine the results of recent public opinion polls we would discover that they express the mood of the country. The majority of our citizens favored the safe release of the hostages through negotiations and opposed military retaliation as the results of the following polls indicate.

In a Washington Post-ABC News public opinion poll reported in the June 19, 1985, Washington Post, 58 percent, almost 6 out of every 10 surveyed, said the United States should negotiate and accede to the captors demands if the alternative is further injury to, or murder of, the more than 40 American men still being held.

Forty-six percent of those interviewed in a recent Washington Post-ABC poll, released July 2, 1985, disagreed with the statement that: "The United States is largely to blame for

this hijacking because it has not dealt firmly with terrorists in the past." Only 39 percent agreed with this statement.

In the same poll three quarters—72 percent—of the people surveyed said they approved of President Reagan's overall handling of the crisis. This high rating is clearly an expression of public satisfaction with the President's accomplishment of what earlier polls had shown to be the public's primary concern: The safe return of the hostages; 58 percent in a June 19, 1985 Washington Post-ABC poll said that saving victims is top priority.

The same poll revealed that: More than half of those surveyed said they opposed military action. Only one-third of respondents favored a military retaliation but half of them backed away from any action that might lead to a wide war.

Nonetheless the threat of terrorism remains a major concern for the majority of the population with two of every three interviewed saying that they were afraid to travel on some international flights—Washington Post-ABC poll released July 2, 1985. ●

#### A RENAISSANCE THAT TAX REFORM COULD SMOTHER

#### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. RICHARDSON. Mr. Speaker, I want to bring to my colleagues' attention a recent article that appeared in Business Week that highlights economic development in Las Vegas, NM.

Because of the cooperation between local, State, and Federal Governments, the historic town of Las Vegas has had a chance to return to its railroad era splendor. Victorian and adobe landmarks are being renovated in the downtown plaza of tax credits and local participation in this project. In addition, the revitalization has provided short- and long-term employment opportunities within the community.

The preservation of our national heritage includes the renovation of towns like Las Vegas, NM. Such worthwhile projects should be encouraged and commended.

[From Business Week, June 23, 1985]

LETTER FROM LAS VEGAS, NM: A RENAISSANCE THAT TAX REFORM COULD SMOTHER

(By Sandra D. Atchison)

Billy the Kid and Doc Holliday used to roam the streets of this old Santa Fe Trail town in northern New Mexico. In 1846, Brigadier General Stephen Watts Kearny climbed one of the adobe buildings in the old plaza to declare New Mexico part of the U.S. Many of Teddy Roosevelt's Rough Riders were recruited here. This colorful history—plus some very generous tax incentives—has prompted a number of projects

aimed at preserving many of the buildings in this town of 15,000.

Developers have spent \$2 million in the past three years renovating the Plaza Hotel, an Italianate building on the old town plaza, not far from where the hanging tree once stood. Others have sunk hundreds of thousands of dollars into renovating smaller buildings nearby. But La Plaza Vieja, the biggest project of all, faces an uncertain future because of proposed changes in income-tax laws. The project is a \$2.4 million restoration of 18 buildings in La Plaza Vieja, the historic heart of the old town.

Scheduled to begin rehabilitation this summer, developers of La Plaza Vieja intend to make liberal use of tax breaks that give credits of up to 25% for renovation work on historic structures. These credits were created by Congress in 1982 to encourage rehabilitation of aging commercial properties. Developers get a tax credit of 15% for buildings 30 to 39 years old and 20% for buildings 40 years old or more. If the building is certified by the National Park Service as a historic structure and restoration work is approved by that agency, the tax credit jumps to 25%. Investors get these tax breaks on all money spent for rehabilitation, including borrowed funds. Says William L. Slick, whose Slick & Associates Inc. would restore and operate La Plaza Vieja: "Tax credits make it profitable to revitalize downtown."

#### SEEDY SPLENDOR

Elimination of these credits would be disastrous for Las Vegas—and dozens of other small towns like it. In New Mexico alone, tax credits have led to some \$28.5 million spent on 33 projects since 1982. So far this year, 20 additional projects, valued at \$23.7 million, are scheduled in the state. Slick expects La Plaza Vieja to lead to the revitalization of the entire area—80 buildings—with a total of \$20 million in rehabilitation work. Says City Manager Daniel R. Dible: "This could be the impetus for the whole city."

Unlike its glitzy namesake in Nevada, Las Vegas, N.M., is a Mexican-Victorian relic of the booming railroad era. Its century-old adobe buildings are crumbling while its once-grand Victorian shops and houses sit in seedy splendor. Unemployment hovers at around 12%.

Plans for the plaza could change all that. Slick estimates that La Plaza Vieja would employ 204 people, decreasing unemployment by 2 percentage points. The work itself could provide 48 full-time jobs for three years.

La Plaza Vieja Partnership will own or lease 13 of the buildings. The other five are owned by 11 local residents who make up the general partnerships. All 18 buildings will be restored through investor money and loans. Slick has lined up a 2% Urban Development Action Grant for \$613,000 from the Housing & Urban Development Dept., as well as a conventional \$690,000 loan from two New Mexico banks.

But the bank loans are dependent on raising somewhat more than \$1 million from a privately placed syndication. Partnerships will be sold in \$10,000 units, paid as needed, probably over a three-year period. Under current law, investors get a \$3,500 federal tax credit for restoration expenditures; New Mexico residents get \$2,500 more in state credits. Thus, for every dollar they put into La Plaza Vieja, local residents will get back 60¢ in credits. Then the limited partners will get 98% of all rental profits until their investment is paid back. After that, they

will receive 80% of the profits with the balance going to the general partners.

#### LOCAL HANDS

Slick issued the offering in May, even though the federal credits are under a cloud because of the Reagan Administration's proposed overhaul of the income tax structure. Although most preservationists believe projects under way will qualify for credits at least this year, that may not help La Plaza Vieja much, since restoration is scheduled to take place over a three-year period. Slick hopes to begin soon so that investors can get at least one year's credits.

The state tax credits make the partnership appealing to New Mexico residents. Slick expects to raise half the syndication money in Las Vegas alone. The project is popular in this predominantly Hispanic community since ownership of many of the 18 buildings remains in local hands.

Although several owners leased their buildings for up to 40 years because they lacked funds for restoration, all wanted ownership to remain in their families. Elmo Baca, a fifth-generation resident, put up the two storefronts he owns with his father, using them as his share rather than cash. He joined the project, he says, because of "the big picture." Explains Baca, who has a degree in architecture from Yale and a graduate degree in historic preservation from Columbia: "Common control will allow the buildings to be restored as a package rather than willy-nilly." Moreover, "La Plaza Vieja will have more political clout than would individual owners."

Las Vegas is anxious for improvements in more than just its old buildings. The townspeople feel the time is ripe for a general economic redevelopment. Las Vegas is only an hour from Santa Fe, the state capital. Its combination of rail-road-Gothic and adobe architecture appeals to tourists, preservationists, and even filmmakers: Tom Mix movies and, more recently, the thriller *Red Dawn* were filmed here.

At the same time, the Armand Hammer United World College of the American West, a two-year preparatory school established by Occidental Petroleum Corp's chairman, has brought worldwide attention to Las Vegas. The school is one of several established under the aegis of United World Colleges, an organization formerly headed by the late Lord Mountbatten. Its purpose is "to promote world peace by fostering international understanding." The Armand Hammer campus has 200 students from 60 countries. Britain's Prince Charles, president of World Colleges, attended the school's dedication. And last year the Beach Boys sang at its first graduation.

#### NO GUIDELINES

More important to Las Vegas' unemployed, the town has begun to attract industry. The Public Service Co. of New Mexico, for instance, opened a fiberboard factory here last year as part of its diversification program to bolster local economies within the state (BW—Aug. 22, 1983). Other companies, attracted principally by the town's available labor force, are scouting the area.

It is possible that the stirring economy would encourage rehabilitation even without the tax credits. But such restoration would then be done without historic guidelines. In order to obtain the credits, work must be approved by the Interior Dept., which acts as a kind of quality-control agent. Without it, Dible says, Las Vegas could find its plaza restored not as a unique 19th century Mexican-Victorian town, but

as a 20th century town of "schlock and honky-tonks." ●

#### A NEW EDITOR IN D.C.

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. HYDE. Mr. Speaker, it has been my pleasure during the past few months to become better acquainted with the brilliant and dedicated new editor of the Washington Times, Arnaud de Borchgrave. Mr. de Borchgrave has had a long and illustrious career in journalism and, as a foreign correspondent for Newsweek for 25 years, he established himself as a reporter and interviewer known as much for his courage as for his reportorial skills and energy. As one former Newsweek colleague said:

Nobody ever had a correspondent who worked harder than Arnaud. He worked incredible hours. He had a singlemindedness of purpose getting to a source for an interview.

I'm sure that many of my colleagues in Congress are as pleased as I am that Washington is, once again a two newspaper town, and that Mr. de Borchgrave is at the helm of one of those papers. I am pleased to submit for the RECORD a recent profile on Arnaud de Borchgrave written by Lea Donosky, Washington correspondent for the Chicago Tribune. I commend it to the attention of my colleagues.

A NEW EDITOR IN D.C.—MAKING THINGS RIGHT FOR THE TIMES

(By Lea Donosky)

WASHINGTON.—Arnaud de Borchgrave looked over the mezzanine-level brass railing to the newsroom below, saying: "I see myself as the captain of the ship, and it's my job to stay on the bridge."

The veteran foreign correspondent, who covered 17 wars in 30 years, is fighting a war of his own, a battle against what he views as the communist menace and the "terminal naivete" of the American press.

"It's a never-ending battle, a war of words, a war of ideas," he says.

His vessel, though, is more a dinghy than a destroyer.

In March, De Borchgrave, 58, who coauthored a best-selling novel called "The Spike," which portrayed the Western media as dupes of Soviet propaganda, became editor-in-chief of the Washington Times.

The paper was set up in 1982 by New World communications to be a "conservative alternative" to the Washington Post. The company is an affiliate of the Unification Church, founded by Rev. Sun Myung Moon, serving a prison term for federal income tax evasion.

De Borchgrave, who spend 25 years roaming the world for Newsweek magazine, calls his and the goal of the paper's founders a "coincidence of mission."

His sense of mission may explain why he is virtually living in the office, sometimes running out of his office-bedroom to remake the paper after midnight.

But it does not explain how a man who sometimes does not leave the building for days still manages to have what is referred to as "the tan."

The dapper, balding, Belgian-by-birth has been permanently and mysteriously golden brown for decades, according to long-time observers.

But the tan is just one of the many legends that surround De Borchgrave, whose stature and hereditary title, which he renounced when he became an American citizen, led to his nickname as the "Short Count."

In his three-month tenure as editor, De Borchgrave has shown the same ability to attract attention that he did as a foreign correspondent, when his escapades were a favorite topic of conversation among fellow journalists gathered at the end of the day in hotel bars of various world hot spots.

Shortly after taking the editor's job De Borchgrave announced the newspaper would add \$1 million to the bounty for information leading to the whereabouts of Nazi war criminal Joseph Mengele.

And in April when the U.S. House of Representatives denied aid to the rebel fighters trying to overthrow the Nicaraguan government, De Borchgrave, who champions the contras' cause, called for a worldwide fundraising effort. The Unification Church agreed to contribute \$100,000 to kick off the fund.

De Borchgrave pursues communism, "liberal" bias in the media and exclusives for the Washington Times with the same single-mindedness he brought to his pursuit of world leaders in 25 years with Newsweek.

He sleeps at the newspaper—he says just four hours a night—on a sofa-bed and showers and shaves in a private bath off his office. He does his morning exercises while watching the early morning television news in his office.

One office wall has been turned into a personal picture gallery: De Borchgrave in some of the combat fatigues resembling those of a dozen nations that he kept hanging in an apartment in Geneva, from which he could dash to the airport and race toward the latest shooting war; De Borchgrave frolicking with an inflatable toy at poolside with King Hussein of Jordan; at the Khyber Pass with rifle-toting Afghan tribesmen; the wounded war correspondent [a shrapnel nick] "awaiting evacuation by chopper," according to the handwritten caption, at battle for Hill 400 between U.S. marines and North Vietnamese army troops near the DMZ in 1966.

Throughout his career, De Borchgrave was as famous for his style and self-promotion as for his scoops. De Borchgrave dismisses the concentration on his persona rather than his performance as "jealousy." "People were always talking about 'the tan' and the way I went to the best parties. But black tie, white tie or combat fatigues, I was working," he said. "I'd come up with an excuse to go to the bathroom every 30 minutes at a party to make notes on what I'd been told."

"Sure, there were pictures in fancy magazines with the Aga Khan on his yacht off Sardinia. But, my god, I was working!"

"It's very easy to make sport of him," says Nicholas Proffitt, former Saigon and Beirut bureau chief for Newsweek. "But there were few publications that wouldn't have liked to have had him or someone like him."

"Nobody ever had a correspondent who worked harder than Arnaud. He worked incredible hours. He had a single-mindedness

of purpose getting to a source for an interview."

And it paid off countless times over the years for De Borchgrave and Newsweek as he pioneered back-to-back interviews between Egyptian and Israeli leaders long before Walter Cronkite and Barbara Walters.

Critics and he was too liberal letting sources set the ground rules for interviews. His intelligence sources and his CIA sources were so good, according to the critics, because he accepted as gospel everything they told him.

"I would find [Central Intelligence Agency director] Bill Casey far more interesting for an hour off the record than on the record. I was brought up on the scared code that if you were told something off the record it never saw the light of day," says De Borchgrave.

Then what good was the information? "It was background for the next story," he says.

For De Borchgrave access and contacts are scared.

"I spent a lifetime building up contacts," he says. "Knowing their birthdays, their children's names."

Ideological and editorial differences led to his departure from Newsweek in 1980 when he went over the editor's head to complain about the handling of stories on the Soviet invasion of Afghanistan.

De Borchgrave spent the intervening years promoting "The Spike," publishing a monthly intelligence newsletter, "Early Warning," and serving as a senior associate of a Washington conservative think tank.

But he admitted in an interview in 1984 that he missed the impact of his stories in a major publication.

The Times gives him an outlet, if not many readers.

The Monday through Friday paper, despite an annual operating subsidy of some \$25 million, a figure confirmed by a Times spokesman, had a circulation in March of just over 75,000 in Washington, according to the Audit Bureau of Circulation. Approximately 8,600 more copies are distributed around the nation.

By contrast, the Washington Post has a daily circulation of over 770,000 and more than 1 million on Sunday.

Still the Times has carved out a niche in the nation's capital. It is watched for information about the state of conservative thought and leaks from like-minded administration officials. And it is prominently displayed in the offices of high-level Reagan officials.

"It's got stories you don't find anywhere else or you find there first," says Patrick Buchanan, the White House director of communications, who finds the paper ideologically compatible.

Buchanan insists that it is not just for show that the conservative newspaper is one of a handful included in the President's daily news summaries or that some of the paper's news "beats" are the result of authorized leaks from the administration.

"Not all the leaks are friendly or supportive," says Buchanan, noting someone leaked a plan to have the President address a huge rally at the Orange Bowl to pressure Congress to provide aid to the anti-Nicaraguan government guerrillas.

"The leak killed it," said Buchanan.

Still, even De Borchgrave acknowledges the paper is "facing an uphill battle."

But, he insists, the paper's owners are committed to keeping it going despite the

red ink and still relatively minuscule circulation.

"I guess some people find it hard to understand because they just can't believe someone believes in something," said De Borchgrave.

While De Borchgrave believes in the conservative cause, he also loves the competition.

When a recent interviewer asked him about printed reports that he has startled the staff by running out onto the mezzanine wearing blue silk pajamas during a late-breaking story, De Borchgrave insisted, "I don't know how this kind of thing happens. They're cotton and a good reporter would have checked."

"Thirty-five percent cotton. The rest is polyester," said the interviewer, as De Borchgrave emerged from the bathroom, pajama top in hand.

Not to be outdone, De Borchgrave immediately shot back. "But you didn't notice they were Christian Dior knockoffs."

And his competition with the Post often takes on a personal tone.

He asks if an interviewer has seen a local magazine article in which handwriting experts analyze his and rival Washington Post editor Benjamin Bradlee's signatures. He goes off in search of the magazine, but can't find it. Asked what the analysis showed, De Borchgrave sniffed, "typically they found a lot of nasty qualities in mine."

It was Bradlee who in 1954 succeeded De Borchgrave as Newsweek's Paris bureau chief.

And De Borchgrave can quote from memory a note of congratulations he says he received from Bradlee when he became the Times' editor.

"Congratulations, and I really mean it. But if I were you I'd worry about your owners. Who would have ever thought you and I would have wound up this way, in this city, in this time?" he recalls the note said.

After a pause, De Borchgrave, ever the competitor, said, "So, I wrote back, 'I thank you for your concern about my owners. I wonder if you shouldn't worry about yours. You forget you are five years older than I.'"●

#### BILL TO CREATE NEW COURT DISTRICT IN CALIFORNIA

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. DANNEMEYER. Mr. Speaker, I am pleased to introduce a bill today on behalf of myself, and my California colleagues, Mr. BADHAM, Mr. BROWN, Mr. DORNAN, Mr. LEWIS, Mr. McCANDLESS, and Mr. PACKARD, to create a new Federal judicial district in California. The new western district would be comprised of Orange, Riverside, and San Bernardino Counties, which are now in the central district. The central district sits in Los Angeles, while the new western district would sit in Santa Ana.

The foremost consideration in this issue is the convenience of access to court for jurors, witnesses, litigants, and lawyers. The need for a new dis-

tract is apparent from the fact that the population of the central district is 13 million, while the average Federal judicial districts serves 2.5 million people. The tricounty area to be covered by the proposed western district has experienced a 60-percent increase in population since 1970, growing from 2.5 million to 4 million in 1985. According to the Administrative Office of the U.S. Courts, "no area in the country is more deserving of an additional district than the area contained in the central district." The existing central district spans 39,921 square miles, requiring excessive travel to court on Los Angeles.

The 96th Congress addressed the problems of the overburdened central district, but the approach adopted at that time has failed to remedy the problem. Hearings were held by the Judiciary Committee and a study was prepared by the Administrative Office of the U.S. courts. The study confirmed that change was needed in the central district and recommended that the district be divided to establish a second courthouse to serve Orange, Riverside, and San Bernardino Counties. Although that recommendation fell short of creating an entirely new district, it carried considerably more force than merely designating another location at which court could be held. Unfortunately, Congress failed to implement this recommendation and enacted Public Law 96-462, which permitted the central district to hold court in Santa Ana, where the bankruptcy court now sits. This has proven to be inadequate as delays by the General Services Administration [GSA] have frustrated the provision of proper facilities to hold court. As a result, the central district tried only one case at the Santa Ana Courthouse for all of 1982.

The Constitution vests in Congress the power to establish and determine the jurisdiction of lower Federal courts. As Members of Congress whose constituents are adversely affected by the present district structure, the sponsors of this legislation believe it is incumbent upon us to take the initiative and secure passage of this legislation rather than settle for another stopgap solution.●

#### PERSONAL STATEMENT

### HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Ms. KAPTUR. Mr. Speaker, due to circumstances beyond my control, I was unable to vote on the Fascell amendment (rollcall No. 210) freezing foreign aid authorization for fiscal year 1986 and fiscal year 1987 at the aggregate fiscal year 1985 appropri-

ation level as provided in the continuing resolution. Had I been present, I would have voted "yea" to the Fascell amendment.●

#### U.S. IMMIGRATION POLICY DEEMED SOUND AND APPROPRIATE

### HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. WEBER. Mr. Speaker, violence and civil unrest is an enormous problem in Central America. Many people have fled their respective countries in order to avoid civil strife and the onslaught of communism. Thus, over the past few years, a large number of refugees from El Salvador have entered the United States illegally. The U.S. Immigration and Naturalization Service (INS) currently apprehends over 1,000 undocumented Salvadorans each month but believes that this may reflect only about a fourth of the total entries. The number of Salvadorans residing illegally in the United States is unknown, but estimates range from 100,000 to 500,000.

What is so disturbing about this problem is the recent trend that exists among churches offering themselves as places of sanctuary for illegal aliens from El Salvador. Although the churches claim to be "morally obligated to save the lives and protect the liberty of these refugees," one of the "primary objectives" of the sanctuary movement "is to offer living testimony about the wars' effects" and to use the Salvadorans as "a symbol of resistance" to dramatize "the immorality of U.S. intervention." They claim the aliens are fleeing persecution and that they face certain death if deported.

The Department of State, on the other hand, contends that the primary motivation for Salvadoran migration to the United States is economic, not political, pointing to the overpopulation and poverty in El Salvador, and the longstanding policy of that nation to encourage the emigration of their people to relieve conditions in their country. The Department also points to the fact that most Salvadorans travel through other countries before reaching our borders, yet continue on to the United States in search of a better way of life. The Department believes that while civil strife and violence in El Salvador are at distressing levels, there has not been the widespread fighting, destruction, and breakdown of public services and order that has been present in other situations when the United States granted extended voluntary departure [EVD] status to refugees. In order to grant EVD status, the refugee must be someone who has a "well-founded fear of

persecution on account of race, religion, nationality, membership in a particular social group, or political opinion." Thus, according to the Refugee Act of 1980, general assertions of flight from violence or hostilities do not satisfy this burden.

The State Department concludes that most Salvadorans present in the United States were not involved in political or military activities prior to their departure from El Salvador, and that there is no evidence that upon return to El Salvador, they would be subject to persecution. In a recent survey of about 500 Salvadoran deportees, not a single case of abuse or murder was found. Interestingly enough, of the 500 deportees surveyed, 39 had already returned illegally to the United States.

Furthermore, any grants of Extended Voluntary Departure status must be considered in light of its potential inducement to further the influx of illegal immigrants. Past experience with the mass migration of Cuban and Haitian nationals to the United States underscores the finite capacity of our country's law enforcement and social support system.

In conclusion, I believe that the current INS and U.S. Government policy position is a sound and appropriate one, combining large amounts of economic assistance, energetic diplomatic efforts, and the grant of asylum to those with a well-founded fear of persecution. I cannot concur with the position taken by some churches to harbor or conceal illegal aliens from El Salvador, or elsewhere. Furthermore, with the current democratic strides being made by President Duarte in El Salvador, the risk of persecution to the general public from civil disturbance has lessened. Our conduct in this matter should be guided by the rule of law, which in this case is a felony.

#### SANCTUARY MOVEMENT: SALVADORAN REFUGEES

##### I. ISSUE DEFINITION

In light of the civil unrest in El Salvador, the sanctuary movement began as a response by U.S. churches to the plight of Salvadorans who cross U.S. borders undocumented. Church members believe that the U.S. government should grant these people political asylum, or at least temporary relief from deportation because they are refugees fleeing political persecution and civil oppression. The U.S. government's position has been that most asylum applicants from El Salvador are fleeing economic poverty, not persecution, and enter the United States in seek of work and a better way of life.

##### II. BACKGROUND

By most estimates, several thousands of Salvadorans currently arrive in the United States undocumented each month, continuing a pattern of illegal immigration to the United States that has existed for a number of years. The U.S. Immigration and Naturalization Service (INS) currently apprehends

over 1,000 undocumented Salvadorans monthly, but the agency believes that this may reflect only about a fourth of the total entries. The number of illegal Salvadorans in the United States has been increasing in recent years as a direct result of the civil strife in El Salvador. The number of Salvadorans residing illegally in the United States is unknown, but estimates range from 100,000 to 500,000.

The undocumented Salvadorans, as with any illegal alien, are subject to deportation. Many try to remain here by applying for asylum or seeking extended voluntary departure (EVD) status, which temporarily suspends deportation.

Asylum is a special and narrow exception to immigration laws and is granted only when someone can show well-founded fear of persecution if returned home. The Refugee Act of 1980 defines a refugee legally entitled to stay in this country as someone who is unable to return to his homeland "because of persecution or a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion." Under the law, general assertions of flight from violence or hostilities do not satisfy this burden.

EVD status has been granted in certain instances "because of civil war or catastrophic circumstances" upon recommendation by the Department of State. However, the extent of civil unrest alone does not determine the Department's view toward granting of EVD status to nationals of a particular country. Grants of such relief have been rare and limited to those cases where, in the judgment of senior Executive Branch officials responsible for such policy, the best interests of the United States are served by such measures. Examples of nationals granted EVD status include Ethiopians, Nicaraguans, and Ugandans.

### III. CONTROVERSY

The controversy has grown between the church sanctuary movement and the U.S. governments position over the current U.S. policy to return undocumented Salvadorans to El Salvador, considering the civil unrest and oppression present in that country.

#### A. Critics of U.S. immigration policy

Critics strongly believe that the undocumented aliens are fleeing persecution and repression, and will be exposed to danger and most likely death, upon return to their country. They believe that the refugees deserve temporary protection (EVD) status by the United States until conditions in El Salvador change. At the same time, critics hope to use the refugees as "living testimony about the wars effects"; to use them as a "symbol of resistance" to dramatize "the immorality of U.S. intervention" pointing out that in a civil war situation, both sides are suspicious of a national who has sought refuge abroad for whatever reason.

Church groups nationwide have been providing sanctuary to Salvadorans who are in the United States illegally arguing that they are "morally obligated to save the lives and protect the liberty of these refugees." Concurrently, church members claim that U.S. policy towards Central America not only creates refugees fleeing civil strife and political repression, but also treats Salvadorans already in the United States inhumanely, unjustly, and immorally, by deporting them to potential persecution or death. Church members claim that the INS systematically takes actions to encourage the expeditions voluntary return of Salvadorans

and to discourage asylum applications. In sum, they believe that the INS policy is immoral in its threat to the life and safety of the illegal aliens who are sent back into a country filled with upheaval and repression.

#### B. U.S. Government's position

The Department of State contends that the primary motivation for the Salvadoran migration to the United States is economic, not political. The Department of State points to the overpopulation and poverty in El Salvador, and the longstanding policy of that nation to encourage the emigration of their population to relieve conditions. The department points to the fact that most Salvadorans have traveled through third countries before reaching the United States, and that other countries closer to El Salvador have made refuge available to Salvadorans fleeing turmoil in their country, yet they continue on to the United States. A recent Spanish International Television Network Poll conducted in El Salvador cited 70 percent of the respondents as stating that they would migrate to the United States for the purpose of finding work, if they had a chance.

The Department of State believes that while civil strife and violence in El Salvador are at distressing levels, there has not been the widespread fighting, destruction, and breakdown of public services and order that had been present in other situations when the United States granted EVD status. The Department concludes that most Salvadorans present in the United States were not involved in political or military activities prior to their departure from El Salvador, and that there is no evidence that upon return to El Salvador they would be subject to persecution. In the most recent U.S. Embassy survey of about 500 El Salvadoran deportees, not a single case of abuse or murder was found. Many deportees could not be located because of incomplete addresses and, interestingly enough, some 39 people had already returned illegally to the United States. Moreover, the Department of State believes that a grant of EVD to the Salvadorans undoubtedly would encourage the migration of many more aliens to the United States.

It should be noted that because of the present and potential political and economic stability in other countries geographically close to the United States, any grants of Extended Voluntary Departure status must be considered in light of its potential inducement to further the influx of illegal immigrants. Past experience with the mass migrations of Cuban and Haitian nationals to the United States, underscores the finite capacity of our country's law enforcement and social support systems. Moreover, the continuing problems of unemployment and budget deficits can only be exacerbated by any substantial increase in the number of people competing for employment and social services.

#### IV. RESPONSES TO THE SITUATION

The U.S. government has responded to the situation by allowing hundreds of thousands of Salvadorans to legally immigrate to the United States. Concurrently, the United States responds with asylum and refugee programs, which are the most generous in the world, and foreign aid programs which now total \$8.89 billion. Moreover, various political and diplomatic efforts to resolve disputes and reduce violence are being implemented. The United States has made every effort to address the needs of tens of millions of people throughout the world.

#### V. SUMMARY

Violence and civil unrest is an enormous problem in Central America, and many have fled their country to avoid civil strife. Some claim the aliens are fleeing persecution and that it is certain death if deported back to their country. The U.S. government contends that the aliens are fleeing economic poverty, not political persecution, and illegally enter the United States in search of work. Many try to remain in the United States by applying for asylum or seeking extended voluntary departure (EVD) status. The most often cited reason for granting EVD status is the claim that those who have been deported have suffered persecution on return to their country. However, repeated studies of the treatment and condition of deported Salvadorans have disclosed no such pattern.

The recent trend among churches offering themselves as places of refuge for illegal aliens from El Salvador is disturbing. "One of the primary objectives" of the sanctuary movement "is to offer living testimony about the war's effects" and to use the Salvadorans as "a symbol of resistance" to dramatize "the immorality of U.S. intervention."

While acknowledging that violence is a problem in El Salvador, most asylum and EVD applicants are not able to show that it is directed specifically at them, and that they would be in any greater danger than any other citizen in El Salvador if they were to return.

Alternatives to church sanctuary are available to those Salvadorans who claim that their human rights will be violated if they are returned to El Salvador: camps for displaced persons in neighboring countries, refugee programs funded by the United States, and legally applying and meeting requirements for asylum.

#### V. CONCLUSION

In conclusion, I therefore respectfully suggest that the current INS and U.S. government policy position is a sound and appropriate one, combining large amounts of economic assistance, energetic diplomatic efforts, and the grant of asylum to those with a well-founded fear of persecution. I can not concur with the position taken by some churches to harbor or conceal illegal aliens from El Salvador or elsewhere. Furthermore, with the current democratic strides being made by President Durate in El Salvador, the risk of persecution to the general public from civil disturbance has lessened, and in some areas, diminished completely. Our conduct in this matter should be guided by the rule of law, which in this case is a felony.●

### KANGAROO IMPORT BAN

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. MRAZEK. Mr. Speaker, today I am reintroducing legislation to reduce, if not eliminate, the wholesale slaughter of three species of kangaroos by prohibiting their importation into the United States.

A continuation of the most severe drought in Australian history, combined with a commercial harvest of

well over 3 million kangaroos a year, has jeopardized the stability of this animal's population. In addition, there exists significant illegal poaching which accounts for further losses.

In the 3 years since the import ban was lifted, the United States has become the No. 1 importer of kangaroo products in the world. It is also important to note that this carnage is the greatest and most concentrated massacre of wildlife on this planet. The kangaroo remains unique to the Australian continent, giving the world community a special responsibility to protect this species.

For the first time ever, the Australian Government has refused to reveal its population estimates when announcing the 1985 kill quotas. Equally disturbing is the policy of the Australian Bureau of Statistics which relies solely on the honesty of the exporters to compile their data.

The fact remains that Australia currently remains gripped by a sixth straight year of severe drought conditions. Population estimates which were put at 32 million in 1981 have now plummeted to between 6-7 million. Yet there have been no reductions in quotas. Hunters have actually petitioned for an increase of 500,000 kills in Queensland alone.

By placing a monetary value on the kangaroo, the species has clearly become threatened. Because of the vastness of the Australian continent, policing the outback is virtually impossible. A tax-free black market continues to flourish at the expense of kangaroos, foxes and other species.

It is my hope that this legislation can provide the framework for removing the threat to this species by prohibiting the importation of kangaroo products into the United States.●

#### ADMINISTRATION VIEW ON CIGARETTE EXCISE TAX

**HON. CARROLL A. CAMPBELL, JR.**

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. CAMPBELL. Mr. Speaker, on June 19, Mr. J. Roger Mentz, Deputy Assistant Secretary of the Treasury for Tax Policy, testified before the Ways and Means Committee on the issue of whether the temporary increase in the cigarette excise tax should be extended.

I believe Mr. Mentz's testimony makes good sense. His statement follows and I commend it to the attention of my colleagues:

STATEMENT OF J. ROGER MENTZ, DEPUTY ASSISTANT SECRETARY (TAX POLICY), DEPARTMENT OF THE TREASURY

Mr. Chairman and Members of the Committee, it is my pleasure to be here today along with other Administration representatives to discuss the revenue initiatives in-

cluded in the President's fiscal year 1986 budget proposal. I will present the views of the Treasury Department on the issue of whether the temporary increase in the cigarette excise tax should be extended. Other Administration officials will discuss specifically the user fees proposed in the President's budget.

The current tax rate of 16 cents per pack of 20 cigarettes is scheduled to be reduced to 8 cents per pack on October 1, 1985. Our position is that the excise tax should be allowed to decline to 8 cents per pack on October 1 in accordance with current law.

The Administration generally is opposed to any form of Federal tax increase at this time. Fees imposed for the use of Federal Government property or services, however, are an appropriate means of compensating the Federal Government for the expenses incurred in making such property or services available to the public, and thus other Administration witnesses will be testifying this morning in support of certain user fees.

#### DISCUSSION

Excise taxes are imposed upon cigars, cigarettes, and cigarette papers and tubes manufactured in or imported into the United States. In general, the manufacturer or importer is liable for these taxes when the products are removed from the factory or released from customs custody. The rate of tax imposed on small cigarettes (weighing no more than 3 pounds per thousand) removed from bonded premises before January 1, 1982 and after September 30, 1985 is \$4 per thousand, which is equivalent to a tax of 8 cents per pack of 20 cigarettes. The rate of tax imposed on large cigarettes (weighing more than 3 pounds per thousand) is \$8.40, which is equivalent to a tax rate of 16.8 cents per pack of 20 cigarettes. The Tax Equity and Fiscal Responsibility Act of 1982 temporarily increased the rate of tax on small cigarettes to \$8 per thousand, which is equal to a tax rate of 16 cents per pack. Similarly, the rate of tax imposed on large cigarettes was temporarily increased to \$16.80 per thousand, which is equal to a tax rate of 33.6 cents per pack. These temporary increases are scheduled to expire on September 30, 1985.

Excise taxes on tobacco discriminate against consumers who prefer to spend a portion of their incomes on these products. Moreover, the excise taxes on tobacco are regressive because low income individuals spend a larger percentage of their income on these products than wealthier individuals. According to the 1980-81 Consumer Expenditure Survey Diary Data, tobacco expenditures are 2.4 percent of income for the quintile of the population with the lowest income, but are only .4 percent of the income for the quintile of the population with the highest income.

In addition, state and local governments currently impose excise taxes on cigarettes. In 1984, revenue from these taxes equalled \$4.3 billion. To the extent that higher Federal taxes on tobacco products reduce tobacco consumption, they could restrict the ability of such governments to raise revenue from these sources.

In summary, the Treasury Department favors the scheduled termination of the temporary increase in the excise taxes on tobacco products on September 30, 1985.●

#### THE 54TH ANNUAL POLISH DAY AT KENNYWOOD PARK

**HON. WILLIAM J. COYNE**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. COYNE. Mr. Speaker, at the 54th Annual Polish Day at Kennywood Park, August 6, the Central Council of Polish Organizations in Pittsburgh will mark the 100th anniversary of the SS. Cyril and Methodius Seminary. In addition, members of the organizations will express their tribute to the living and deceased members of the Polish Clergy of the Diocese of Pittsburgh as an expression of gratitude for their loyal and dedicated service to the church throughout the years.

The celebration will also note the 65th anniversary of the Battle of Warsaw, one of the most important occurrences in Poland in this century. Several American pilots, members of the Allied Expeditionary Force, took part in that battle, including: Col. Cedric E. Fauntleroy; Lt. Col. Marion C. Cooper; Maj. George M. Crawford; Capt. Carl H. Clark; Capt. Edward C. Corsi; Lt. Edmund P. Graves; Capt. Arthur H. Kelley; Capt. Harmon C. Rorison; Lt. Elliot W. Chess; Lt. Earl F. Evans; Lt. Thomas H. Garlick; Lt. John I. Maitland; Lt. Kenneth M. Murray; Lt. Edwin L. Noble; Lt. Kenneth O. Shrewsbury; and Lt. John C. Speaks, Jr.

The central council will also honor the "Dean of Polish Broadcasters," Chester Jakoski, in recognition of his promotion of American ideals, Polish heritage, culture and folklore for more than 50 years.

Mr. Speaker, I would like to commend to my colleagues the good work of the Central Council of Polish Organizations. Their many activities make Pittsburgh, and our Nation, a better place to live.●

#### LABOR LAW IS FAILING

**HON. WILLIAM (BILL) CLAY**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. CLAY. Mr. Speaker, the Washington Post's lead editorial this past Saturday supports what the majority of the Labor-Management Relations Subcommittee has been saying for the past several years; labor law is not working. It is ironic and sad that on this 50th anniversary of the National Labor Relations Act there is a growing realization that the law no longer guarantees workers a free choice to join a union.

The evidence is mounting that it is indeed a risky proposition to advocate a union today. Chances are that if you are an effective advocate, you will get fired for your efforts. Even in those instances where workers somehow overcome the many obstacles placed in their way and vote to unionize, in only half of the cases will they ever attain a collective bargaining agreement. Workers repeatedly find that in union organizing campaigns today, the deck is stacked against them.

These and other conclusions were spelled out in a report adopted by the Subcommittee on Labor-Management Relations last year called the Failure of Labor Law—A Betrayal of American Workers. The report concluded:

The law is being used as a weapon to obstruct collective bargaining, and the notion that the law protects workers against discrimination because of union views has become an illusion. We face the dangerous situation of a law articulating a clear policy and promising specific protections that it is failing to provide.

The Washington Post editorial, which I am submitting for the RECORD today, is part of a growing awareness of the failures of labor law. In the past few years, articles have appeared in the leading law journals authored by prominent experts in the field of labor law that have documented and described in detail the failure of the law to realize its objectives. This editorial is not the first to note the increasing distortion in the law.

I commend to my colleagues' attention the following editorial:

[From the Washington Post, July 6, 1985]

#### TILTING AGAINST LABOR

The 50th anniversary of the National Labor Relations Act comes at a time not of celebration but dispute. In a series of decisions mostly freeing employers from past restraints, Reagan administration majorities on the National Labor Relations Board have affected the balance of power in the work place. Even before these decisions labor wanted to amend the act; it tried in 1978 but failed. Now some labor leaders have said—and only in part for the shock value—that they might be better off if the act were repealed. The NLRA is the nation's fundamental labor law; it was written to bring labor disputes off the street. But the largest union in the AFL-CIO, the United Food and Commercial Workers, has now announced it will conduct its organizing drives where possible outside the NLRA framework, which it says is more hindrance than help.

The unions say that the Reagan board has unbalanced the law, taken it to extremes. They offer a long list of examples, some minor, some major. Thus the board has relaxed old rules meant to keep employers from making either threats or special promises to employees during organizing drives. It has weakened rules meant to safeguard the right of pro-union employees to sign up union members on company premises during the work day. It has indicated it will no longer protect against retaliation workers who turn their employers in to public agencies for violating health and safety laws. On a broader issue, it has expanded

the right of employers to transfer work from union to non-union plants.

The board and its defenders say that this labor rendering of the record is itself unbalanced, that the Reagan board is simply redressing the tilt of its Carter predecessor and that the current swing is no different from others when the board has changed party hands in the past. They note that on several issues the courts have upheld the Reagan board; the Supreme Court last week upheld a board ruling that unions may not bar members from resigning during or just before a strike.

But many of the precedents the new board has altered date not from the Carter administration but the Nixon-Ford years and before. In routine cases involving charges of unfair labor practices, moreover, the Reagan board has held for management much more than either the Carter or Nixon-Ford boards, whose records were about the same.

We think the Reagan board has gone too far. The issue is not so much labor versus management as it is economic health. The Reagan board's holdings point to continuing low-level labor-management strife that an already burdened economy should not have to bear. Labor unions themselves have done some damage to the economy, taking some U.S. industries out of competitive range; in recent years they have paid for this, in lost work and at the bargaining table. But unions on balance are constructive institutions now in weakened condition, and public policy should not seek to diminish them.●

#### A TRIBUTE TO DR. CHESTER R. RYWNIAK

HON. WILLIAM O. LIPINSKI  
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. LIPINSKI. Mr. Speaker, I rise before my colleagues today to recognize an outstanding resident of the Fifth Congressional District, Dr. Chester R. Rywniak. Dr. Rywniak was recently honored by the Loyola University School of Dentistry upon the event of the 50th anniversary of his graduation.

After graduation from Loyola University, Dr. Rywniak set up his office in the Back of the Yards neighborhood on the south side of Chicago, IL. During World War II, he served in the Surgeon General's Office both in the United States and in the Philippines. He was discharged with the rank of captain and returned to Chicago to continue his dental practice.

Dr. Rywniak has been an active volunteer in many community service organizations. In conjunction with his membership in the Back of the Yards Council, Dr. Rywniak provided dental care to many local school students on days off from his practice. He is still active in the Mundaines Athletic Association, the oldest chartered club in Illinois, which assist the athletic needs of young people in many southwest Chicago neighborhoods. He is also a member of the St. Turibius Parish and still ushers at the 6 p.m. mass.

Dr. Rywniak and his wife Jean have two children, Erna Jean and George, who both also reside in the Chicago area.

Mr. Speaker, it gives me great pleasure to salute Dr. Chester R. Rywniak and I join the residents of the Fifth Congressional District in thanking him for his outstanding work on our behalf.●

#### AID TO CAMBODIAN RESISTANCE MOVEMENT

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. LOWERY of California. Mr. Speaker, I would like to express my support for and associate myself with the efforts of my colleague, Mr. SOLARZ of New York, to provide \$5 million in assistance to the non-Communist resistance movement in Cambodia, under H.R. 1555, the foreign assistance authorization for 1986.

This aid will have no restrictions, allowing the administration proper flexibility to promote the two main U.S. foreign policy goals in Cambodia: securing the departure of 170,000 Vietnamese troops, and preventing the return of the oppressive Khmer Rouge regime.

Despite U.S. economic sanctions against both Vietnam and Cambodia, the Vietnamese troops show no sign of withdrawing. Maintaining a no-relations policy with both Hanoi and Phnom Penh certainly has not led the Vietnamese to remove their occupation troops. Currently, we have no effective and consistent strategy for countering the Vietnamese threat to the Cambodian people and to our Thai allies. The committee's military aid proposal is just such a strategy.

The proposed amount of funding corresponds to an estimated 30 percent of what it would take to significantly upgrade the non-Communist resistance effort. I readily acknowledge that \$5 million in military aid cannot realistically stand up to the Vietnamese—and Soviet—\$6 million-per-day war effort in Cambodia. Yet the proposed aid will provide sorely needed equipment to non-Communist resistant forces, and, more importantly, will send a message of support to these groups—the only groups fighting against the Vietnamese occupation.

Despite the claims of some opponents, \$5 million in aid to resistance groups, like the Khmer People's National Liberation Front [KPNLF], is not the same as combat reinvolvement of the United States in Southeast Asia. We must recognize the crucial difference between going to war with the Vietnamese on their own soil, as we have done in the past, and aiding

the Cambodian people in their efforts to remove the occupying Vietnamese troops from their own country.

In conclusion, Mr. Speaker, I would point out that what we are debating here is not whether to give \$5 million in aid to the resistance movement, but whether that aid should be for military or humanitarian purposes. However well-intentioned humanitarian aid may be, it clearly will do nothing to free the Cambodian people from their oppressors. Those who advocate nonmilitary negotiation with the Vietnamese seem to forget that we cannot even bargain the release of our own POW/MIS's from Vietnam.

In view of these policy constraints, our military assistance to non-Communist groups like KPNLF is the one realistic way we can help the resistance efforts of oppressed Cambodians, while promoting our foreign policy goals.●

**THE NATION'S FIRST MAJOR 100 PERCENT MINORITY-OWNED SOFT DRINK FRANCHISE IS ESTABLISHED IN FLINT, MI**

**HON. DALE E. KILDEE**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. KILDEE. Mr. Speaker, today I would like to take a moment to recognize and honor three distinguished Michigan residents who have become significant forces in their community and throughout the State of Michigan, Mr. Al Bennett, a Flint area auto dealer; Mr. Mel Farr, a former Detroit Lion football star and Detroit area auto dealer; and Mr. Charles Wells, a Detroit businessman. These three men recently purchased the Seven-Up Bottling Co., of Flint, MI. Their acquisition marks a milestone in the soft drink industry, as it is the first major soft drink franchise in the United States to be 100 percent minority-owned.

On Monday, June 10, 1985, a luncheon was held at the Hyatt Regency in Flint to recognize and honor the accomplishment of these men. Among those who honored them at this occasion were the Reverend Jesse Jackson; Mr. Edward Frantel, president and chief executive officer of the Seven-Up Co.; Mr. George Lewis, vice president and treasurer of Philip Morris, Inc.; Mr. Delbert Gray, director, office of minority business enterprise for the State of Michigan; and a host of local government and civic leaders.

The acquisition of the Bennett, Farr & Wells Bottling Co., of Flint is not only a historic occasion for the soft drink industry, but also one which will have a \$22 million economic impact on the Flint and Tri-County areas. I am pleased to extend my best wishes to

**EXTENSIONS OF REMARKS**

Mr. Bennett, Mr. Farr, and Mr. Wells for a successful and productive endeavor.●

MAJ. GEN. DANIEL W. FRENCH

**HON. IKE SKELTON**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. SKELTON. Mr. Speaker, I rise today to pay tribute to the long and distinguished military service of Maj. Gen. Daniel W. French, a close personal friend and a fine soldier who recently retired from the U.S. Army after serving for over 35 years in the defense of his country.

Major General French began his career in June 1950, when he was commissioned an Armor Second Lieutenant. The Baker, OR native has served in command assignments in U.S. Army, Europe; Korea; Vietnam; Fort Ord, CA; and Fort Knox, KY. His promotion to brigadier general came while serving as chief of staff for V Corps, U.S. Army, Europe, in September 1974. Following his assignment in Europe, he was the commanding general, 3d Reserve Officers' Training Corps Region, Fort Riley, KS and then deputy chief of staff for ROTC at the U.S. Army Training and Doctrine Command, Fort Monroe, VA, where he received his second star December 1980.

In his most recent assignment as commanding general, U.S. Army Soldier Support Center, from June 1981 to June 1985, Major General French worked diligently toward the accomplishment of his goal to make Fort Benjamin Harrison, IN the best place in the Army to live and work. He has developed a vast array of community support facilities and programs, all of which serve as models for the U.S. Army. Furthermore, he effectively commanded these activities to produce the best possible student graduates and training literature. Major General French's awards include the Silver Star, Distinguished Service Medal, Legion of Merit with Oak Leaf Cluster, Bronze Star Medal, Meritorious Service Medal, Air Medals, and the Army Commendation Medal with Oak Leaf Cluster.

He holds, a B.S. degree in psychology and sociology from the University of Oregon and an M.A. degree in International Relations from George Washington University. His military schooling includes the infantry officer advanced course, the U.S. Army Command and General Staff College and the National War College.

The general and his wife, Maribeth, are the proud parents of two daughters, Rebecca Renee (Becky) and Cynthia Lynn (Cindy).

Mr. Speaker, it gives me great pride to take this time to honor Maj. Gen.

Daniel W. French for his full and productive career, and to wish General French and his family all the best for a most successful civilian life.●

**THE "RAKKASANS" FORM AGAIN**

**HON. BARBARA B. KENNELLY**

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mrs. KENNELLY. Mr. Speaker, members of the 187th Airborne Regiment, known throughout the world as the Rakkasan, will reunite in Hartford from the 10th to the 14th of July. I would like to join the citizens of Connecticut in welcoming this troop of heroes. Members of the 187th have served this country since 1943. They have seen combat in three of our Nation's conflicts. And they remain ready to serve whenever they are called, however they are needed, wherever they are ordered.

This Nation, and all the free people of the world, owe a debt of gratitude to the spirit and courage of the 187th. The struggles of the 187th were waged in defense of the freedoms we so cherish.

Mr. Speaker, the 187th gather this week in Hartford to remember their fallen comrades and to recall their own moments of trial and triumphs. I ask that we join Connecticut in honoring these brave men.●

**THE 125TH ANNIVERSARY AT ST. ELIZABETH**

**HON. DEAN A. GALLO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. GALLO. Mr. Speaker, a century and a quarter of community service is a milestone of great significance. When this milestone is reached in the field of education, the event is particularly noteworthy.

The Academy of St. Elizabeth, of Convent Station, NJ, is a Catholic girls academy conducted by the Sisters of Charity of St. Elizabeth.

On September 8, 1985, the academy will be celebrating the 125th anniversary of its founding by Mother Xavier Mehegan in September 1860.

During the past 125 years, the academy has been devoted to the spiritual, as well as the educational, needs of thousands of young women from New Jersey, as well as from other countries.

These students have been graduated from the academy with a sense of pride, moral values, and the necessary skills to achieve their goals in life.

Today, the Academy of St. Elizabeth draws its commuter student enroll-

ment from some 50 school districts in Morris and other New Jersey counties.

The academy offers quality education for the college-bound students and provides a full schedule of athletic and extracurricular activities.

Today, the academy continues its fine tradition of promoting spiritual and academic growth in an ever changing society.

The students of the Academy of St. Elizabeth should be ever aware of the fine tradition they have been asked to uphold.

The faculty, staff and administrators should be commended for their efforts to continue this fine tradition of service and accomplishment. ●

**LOS ANGELES STUDENTS MAKE A MIRACLE: STUDENT DRIVE RAISES \$423,659.07 FOR MEDICAL RELIEF TO ETHIOPIA**

**HON. JULIAN C. DIXON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 10, 1985

● Mr. DIXON. Mr. Speaker, it is with a great sense of pride and admiration that I rise to praise the students and staff of the Los Angeles Unified School District [LAUSD] for their remarkable efforts assisting the children of Ethiopia.

The students of the LAUSD, using a combination of dances, car washes, bake sales, jog-a-thons, and other fundraising activities among their peers, raised more than \$420,000 over a 4-week period which ended June 20. It is especially noteworthy that our students gathered these contributions at time in the school year when many other events, such as graduations, proms, and making plans for the summer could easily have diverted their attention.

Mr. Speaker, while the entire Los Angeles Unified School District did indeed make a miracle, the drive was particularly aided by the moving, first-hand reports by school board president Rita Walters and high school students Sabrina Moore and Oliver Benjamin, who accompanied an airlift of medical supplies to feeding centers and refugee camps in Ethiopia in May during the initial stages of the drive. Dr. Harry Handler, as superintendent of the district, also gave exceptional leadership to this effort.

Mr. Speaker, this miracle drive was launched following a story on ABC's "20/20" program regarding a successful student-to-student drive in New York City's school system which raised \$250,000 for an airlift of grain to Ethiopia. At the program's conclusion, my friend and colleague, Congressman GARY ACKERMAN, challenged students throughout the country to undertake similar activities on behalf

of the famine-stricken children of Ethiopia. The students of Los Angeles have responded with more than \$420,000 which is being used to support agencies under Interaction that are providing programs of medical relief in Ethiopia.

I would like to take this opportunity to also commend Congressman ACKERMAN, and the students of New York City for their equally outstanding fundraising accomplishments and more importantly for awakening America's students to the severe crisis in Ethiopia, and their responsibility to help make the miracles which can end the suffering of Ethiopia's children. ●

**WHY WE WON'T ACT**

**HON. NORMAN D. SHUMWAY**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SHUMWAY. Mr. Speaker, this week, in considering the Foreign Assistance Authorization Act, we have followed the unreasonable pattern established during debate on the Defense authorization bill—tacking onto the legislation dozens of new conditions, reporting requirements, prohibitions, and qualifications. We have entangled the President, the Armed Forces, the State Department, and our intelligence agencies in a legalistic and bureaucratic straitjacket so tight that it is little wonder we are unable to act decisively when faced with threats to the United States around the world. One moment, Congress zealously rails against terroristic violence, or espionage, and calls for firm retaliation while, the next moment, it creates a host of additional impediments to effective foreign policy action. I would like to call my colleagues' attention to a striking analysis of this relationship between congressional action and Executive inaction that recently appeared in the Wall Street Journal. Entitled "Why We Won't Act," this editorial clearly describes the implications of 10 years of congressional attempts to usurp the constitutional authority of the President to direct the foreign affairs and defense of this Nation.

[From the Wall Street Journal, July 9, 1985]

**WHY WE WON'T ACT**

With emotions already cooling in the wake of the Beirut kidnapping, it is time to move the retaliation issue off the question of whether we should have taken military action during or immediately after the seizure. It's now evident that this is largely an academic debate. All the available evidence from the past two U.S. administrations leads to the conclusion that short of total war, the departments of the executive branch responsible for foreign policy—the White House, State and Defense—are highly averse to military action outside the American continent.

In retrospect, Grenada appears to have been an anomaly, a unique event precipitated in large part by the forceful will of Dominica's remarkable prime minister, Eugenia Charles (who, by the way, has just won a big popular vote). The defense buildup of the past four years is intended to fight World War III, an event many senior military officers doubt will occur in their lifetime. Public statements by Defense Secretary Weinberger and senior uniformed officers make it clear that the Pentagon has little interest in deploying its assets in any contingency falling between Grenada and World War III.

The danger in this posture is that it significantly reduces the deterrent function that our, or anyone's, military capability is supposed to serve. And that in turn provides our adversaries with an unacceptably large margin in which to maneuver freely. The world's terrorists are actively operating in that margin. So are the Warsaw Pact nations and Libyas that train, finance and promote such insurgencies. This sort of activity puts tremendous pressure on U.S. friends, such as the ASEAN nations, Persian Gulf moderates or even NATO.

The return of the 39 hostages is gratifying, but nothing in the release process at all ensures against another such incident. There will be a next time. As the Free World's leading nation, the U.S. either has to take the responsibility of demonstrating its willingness to push back against this pressure or watch it eventually escalate into something requiring a much larger, bloodier military response.

The real question we should be addressing is: What set of circumstances now exists in Washington that has caused the U.S. military establishment to beg off on so many real-world contingencies?

Discussions we've had with military officers on this matter tend to focus on engagement strategy. Among their misgivings is the belief that currently popular proposals for "surgical" strikes and Delta-Force-type missions means they are expected to fight with inadequate force ratios. Others worry that the apparent need to give each service a piece of these initially small actions may supersede effective operations strategies. There is a good, wide debate to be had on this subject, but at bottom we are convinced that the Pentagon's reluctance to involve itself in mid-level operations is a rational response to the recent behavior of Congress.

To a man and woman, Congress will deny that it is damaging our military capability. But we do in fact have a War Powers Resolution that is constantly invoked and debated in these circumstances. And as to the inadequacy of our intelligence-gathering capability that is so talked about on occasions like this or the recent Walker spy case, we have had Mr. Reagan's Executive Order 12333 revising Jimmy Carter's Executive Order 12036, both forged amid a congressional tumult over CIA activities. Last week the State Department was reduced to saying it had asked the CIA's lawyers to provide an interpretation of these regulations before the administration made any decisions about pursuing Robert Stethem's murderers. The paramount operations consideration in this country today isn't whether it will work, but whether some congressional staffer will be able to say it's illegal. Will a week's worth of front pages and evening news shows lead with arguments over whether the president has "broken the law"? The commander in chief has become the lawyer in chief.

The series of House votes just prior to the congressional recess attempting to detail the conditions under which the president may take military action in Nicaragua displays how the congressional system naturally tends toward a tangle of legalisms, resolutions and amendments. It is certainly possible to break down each of the items we've mentioned into a discrete policy argument. But with everyone's mind focused by the Beirut kidnapping, we wish the members of Congress would stand back and take a look at the total system of political disincentives they've created for any Pentagon operations planner.

Bold anti-terrorist statements by returning members of Congress this week won't remove this disincentive. The legislation circumscribing U.S. military and intelligence operations is real. Now is the appropriate time for Congress's responsible members to explicitly raise the issue of modifying or repealing this legislation. If they do not, we are left with the status quo, and the status quo has obviously emboldened this country's enemies. At some point in the future, that continuing danger may threaten not merely 39 of us, but all of us. ●

SMALL BUSINESS COUNCIL OF  
AMERICA

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. RAY. Mr. Speaker, my good friend from Columbus, GA, Mr. Morton Harris, recently testified before the Committee on Ways and Means on the impact of employee benefits and compensation of President Reagan's proposal for comprehensive tax reform.

Mr. Harris is the founder and president of the Small Business Council of America, Inc., which is a nationwide organization representing the interests of small business and professional organizations in connection with Federal tax and employee benefit legislation in Washington.

I submit his statement for the RECORD.

INTRODUCTION

The Small Business Council of America, Inc. ("SBCA") is a non-profit organization which represents the interests of small business organizations on Federal tax matters. SBCA has a membership consisting of over 1,500 successful retail, manufacturing and service organizations located in 47 states, most of which maintain employee benefit plans qualified under I.R.C. § 401(a). In addition, SBCA's leadership consists of a large number of tax attorneys, accountants, actuaries, consultants and bankers specializing in employee benefits who in turn represent in excess of 50,000 small business organizations which sponsor qualified retirement plans. Consequently, SBCA represents the interests of a great number of organizations and their employees across the country who have a significant stake in legislation which affects the structure, implementation, and operation of qualified retirement plans.

In recent years, frequently changing legislation in the qualified plan area has been particularly disruptive to the plans of small

companies. In addition, the legislative bias against small plans has been only thinly veiled, at best, and in one case not veiled at all, i.e., the "Top-Heavy" rules, introduced during the deliberations of the Congressional Conference Committee on TEFRA without prior hearings or advance public announcement.

For many small plans, the costs and complexities of pension design and administration and the costs of frequent plan amendments have literally gotten out of hand, making qualified retirement plans unattractive to many small businesses because they are no longer cost effective.

The private pension system, so essential to the retirement well-being of millions of American families, and, for that reason, critical to the solvency of the Social Security system, has been so over-regulated during the past 12 years, that it is already beginning to fall of its own weight. This statement is not a cry of "wolf." Government statistics show the recent substantial increase in plan terminations (running at over 50% of the level of new plan formations), with the impact of the three major pension law changes (to a small plan, any change which causes a plan amendment is a "major change") during the past 35 months, i.e., TEFRA, DEFRA and REA, only just beginning to surface. So complex are the system's workings, that they are now well understood by only a relatively few experts; and any nationwide program meant for use in administering approximately 750,000 qualified employee retirement plans which benefit over 50 million participants cannot effectively be maintained by such a small number of advisors. What is even more troublesome, however, is that the costs of repeated plan revisions (three required revisions in three years) and the costs of plan administration have risen significantly so that retirement plans have become so expensive for employers that massive plan terminations are already guaranteed during the next few years, and an untold number of new plans will never be established.

Many wonder if the extinction of private pension plans is the object, or just an unintended consequence, of the present Congressional policies? The President has characterized, as the goal of his recent tax reform proposals, "an America bursting with opportunity." This is the age of the entrepreneur, he said. He heralded that "small but growing circle of heroes, the small business people, American entrepreneurs, the men and women of faith, intellect and daring who take great risks. . . ." He proposed to motivate this group by lowered personal and corporate tax rates, and reduced capital gains taxes. We submit that at least an equally realistic motivator for the typical individual contemplating starting his own business is the opportunity (once the business is successful) to create a retirement fund for himself and his family. Few such individuals, as a practical matter, can look to a sale of their businesses. They all can, however, look to building those businesses into sources of income for use during their working lives and retirement years.

That is where the private pension system plays a part. Not only does it help bring forth the entrepreneurial spirit, but also will help secure a solid retirement for the entrepreneurs and their employees. The object of our tax policy, then, should be to encourage the adoption and maintenance of qualified retirement plans in greater numbers than ever. If one looks at the record of this past decade, however, one would have

to question whether or not the opposite may have been our National policy. We have had, beginning with the passage of ERISA in 1974, the enactment of a succession of laws which have added enormous complexity and escalating costs, while at the same time diminishing benefits of privately sponsored retirement plans, all of which threatens to put an end to the private pension system. Sometimes these legislative changes have been in the name of revenue enhancement, sometimes deficit reduction, and sometimes fairness or tax equity; however, whatever the stated rationale, the result is the same, less benefits to those in control of the businesses which adopt or maintain retirement plans and greater costs of (1) plan administration (e.g., reporting and disclosure requirements in the operation of the plans and at the time of benefit distributions) and (2) the almost annual requirements for plan amendments.

It is important to recognize that according to statistics developed by the Office of the Management and Budget in 1980, qualified retirement plans sponsored by small businesses (under 25 participants) cover more than six and one-half million (6,500,000) employees. These small plans (almost 90% of all plans) are maintained by small business at significant expense, with the plan administration costs often running ten (10) times higher on a per participant basis than in larger plans.

As stated above, commencing in 1974 with ERISA, small plans have been the subject of major legislative changes by TEFRA, DEFRA and REA, each law requiring additional amendments to all qualified plans in the country. It should be especially noted that the pension provisions of TEFRA which created new Code § 416 (the "Top-Heavy" Rules) must be listed high among the most discriminatory laws ever passed by the Congress.<sup>1</sup> It singles out qualified retirement plans sponsored by small business for numerous burdens and costs not applicable to larger plans. As a result, the very group least able to absorb these costs has been required to substantially amend their plans to incorporate these rules which compress plan benefits and increase company costs.<sup>2</sup>

The reason for this digression to TEFRA is that in many instances the President's proposals regarding pensions would also impact small plans far more than mid-size or large plans. It is ironic that "small business" and the entrepreneurs who own them, though really appreciated and often loudly praised by the lawmakers, unfortunately appear to be the "poor cousins" when specific legislation is considered. Sadly, at the very time a fourth major pension law change (again requiring substantial amendments to existing plans) is being proposed,

<sup>1</sup> The "Top-Heavy" rules appear to be the only rules that openly discriminate against small business to be found anywhere in the Internal Revenue Code.

<sup>2</sup> A "Top-Heavy" retirement plan is synonymous with a small plan. By definition, a "Top-Heavy" plan is one in which the value of the plan interests allocated for certain owners and highly compensated individuals is in excess of 60% of the value of the interests allocated for all plan participants. It is obvious that mathematically, the larger the employee pool for any given entity the easier it is not to be a Top-Heavy plan. Conversely, the smaller the employee pool, the easier it is to be "Top-Heavy." Because most small businesses have few employees, with the owner-employees often being the major portion of the employee staff of the small business and these plans are, therefore, almost always "Top-Heavy."

the Employee Benefit Research Institute (EBRI) has found, based on a nationwide survey (sponsored by EBRI and the U.S. Department of Health and Human Services) in May 1983, that small companies with fewer than 100 employees are less likely to provide qualified retirement plans than larger companies. The report also shows that between 1979 and 1983, the coverage rate of these small plans fell from 61 percent to 56 percent. The study concludes that if small companies could be encouraged (through tax incentives) to sponsor retirement plans at the same level as companies with 100 to 500 workers, then approximately 7.6 million additional employees would be covered by qualified retirement plans. It is imperative that Congress recognize and understand now that under the present legislative environment such growth will never take place. In fact, the opposite is already occurring and will continue to occur until (1) the law becomes stable for a reasonable period of time and (2) small qualified retirement plans are treated no more restrictively than larger plans rather than being singled out for discriminatory treatment.

**PRESIDENT'S PROPOSALS: MODIFICATION OF DEDUCTION RULES AND ANNUAL LIMITS ON CONTRIBUTIONS AND BENEFITS**

The proposed modifications set forth in Chapter 14.03 of the proposals clearly do not follow the adage "If it ain't broke, don't fix it," there being no evidence that existing limitations on contributions and benefits are not working. In addition, in Chapter 14.04 the related proposal which abolishes the 1.25 limit for all plans other than small plans, states that the present law "impose a significant burden on employers and plans, and indeed may be the primary source of complexity in the retirement plan area." At p. 356. Assuming the correctness of the statement, it is inconsistent that on one hand the President recognizes the complexity of these limitations while at the same time proposing that the complexity be kept for small plans and in addition recommends two new limitations and significant changes in two other existing pension rules.

Aside from this inconsistency, the Small Business Council of America feels it to be clearly unfair to abolish the overall "1.25 limit" as recommended in Chapter 14.04 for all plans other than small plans (i.e., top-heavy plans). The President's analysis is as follows: "Eliminating the overall limit for non-top-heavy plans would eliminate a significant source of complexity and thus would promote the adoption to tax-favored plans. It should also provide employers with a significant incentive to maintain both defined contribution plans and defined benefit plans."

This statement clearly states that importance of plans sponsored by large businesses being relieved of recognized complexity, but does not reflect this same concern for plans sponsored by small business which to a much greater extent should be given a workable incentive to sponsor both defined benefit and defined contribution plans for its employees. The rationale for this distinction simply cannot be discerned by SBCA.

The proposal in § 14.03 also would impose an additional 10% tax on all benefits distributed to or with respect to a participant from all plans, including IRA's and tax sheltered annuities, which exceed 1.25 times the defined benefit dollar limit in effect for the year. Although this proposal sounds relatively simple, it should be careful studied before it is incorporated into the pension system. Two issues immediately surface

with respect to the operation of this provision:

(1) This proposal states that implementation of this section will not require significant employer involvement which assumes that plan distributions are primarily the responsibility of the employee. Whether this is a prudent assumption is not clear since many small plan sponsors determine, handle and often bear the costs of planning for plan distributions to participants. Statements in this proposal do acknowledge that employers simply cannot handle any more responsibilities in the retirement plan area, but then shift these responsibilities to employees as a satisfactory solution appears questionable; and

(2) It is not clear how these proposals would improve on the existing I.R.C. § 415 limits in this regard. In many cases it appears that upon retirement, many participants whose plan benefits have been at all times within the § 415 limits applicable to contributions or benefit accruals will, nevertheless, be subject to this additional tax. In fact, an employee may be forced to take a distribution in excess of 125 percent of the defined benefit amount in a given year due to the minimum distribution rules or because of personal hardship. Although it is well recognized that stability and certainty of the law is an essential element to a viable pension system, let alone a tax system generally, it is clear that under this proposal a plan participant because of the plan distribution requirements or an emergency may, at the eleventh hour, be faced with an additional 10 percent tax, notwithstanding he or she was at all times during plan participation years within the limits of the law. This places a premium on sophisticated (and costly) planning for plan distributions and penalizes participants who are faced with unexpected and unavoidable hardship.

**REVISIONS OF § 401(k) PROVISION**

While SBCA recognizes in Chapter 14.06 an attempt to broaden coverage of I.R.C. § 401(k) plans to more employees and, also, to limit percentage differentials between the highly compensated and other employees, SBCA is opposed to these proposals which make an already complicated area significantly more complicated (and more costly to administer) while, at the same time, restricting the level of benefits.

Specifically, SBCA is against limiting the § 401(k) employee's elective contribution to \$8,000.00, reduced by his or her IRA contributions. The § 401(k) contribution should only be limited by the § 415 limitation as presently provided.

In addition, the existing one-third/two-thirds mathematical test is much easier to deal with than the proposed "prohibited group member" test which would require employers to keep additional employee records and make continuous tests of the three year "look back" period. If the one-third/two-thirds test is not producing a proper non-discrimination result, then a one-fourth/three-fourths test could be adopted to accomplish the desired result with greater simplicity and efficiency. It remains critically important to note that for the sake of simplification, this test should be kept as a simple mathematical test based on current census data.

SBCA believes that different adjusted deferral percentages (ADP) will further complicate the area and once again introduce yet another element of uncertainty into our pension laws. There also appears to be no explained reason why the top compensated

employees should not continue to average their ADP as is currently provided.

Further, SBCA believes that taxing "excess" employer matching and employee elective contributions to a § 401(k) plan at a 10 percent rate will cause unnecessary additional administrative expenses in operating the plan and would typically function only as a penalty for inadvertent miscalculations in a very complex matter. SBCA suggests as an alternative that any "excess" employee elective or employer matching contributions should be distributed prior to the end of the plan year to which the contributions relate, with such required distributions not being treated as violating the existing distribution rules applicable to elective contributions or to qualified plans generally. Also, the distribution should be exempt from the early distribution recapture tax applicable to tax-favored plans. There does not appear to be any rationale for first imposing a 10 percent tax on excess contributions and then forcing a distribution, especially when excess contributions are almost always the result of administrative error in calculating the ADP percentages.

Further, SBCA opposes the proposal which would require plan coverage of employees after only one year of service. A § 401(k) plan is simply a profit sharing or stock bonus plan which the addition of employee electives and the same eligibility requirements that apply to these plans under existing rules should apply to § 401(k) plans.

Further, the deletion of "hardship" as a permissible event for allowing a distribution of employee elective contributions should not be promoted. Many employees will simply not put their own money into a plan if they know they cannot get to it in the event of a medical or other emergency.

If the proposals on § 401(k) plans contained in Chapter 14.06 are put into law, it is clear that an entire new body of pension law and regulations will arise in the § 401(k) area. It is disturbing that these proposals show no concern that tens of thousands of companies have established § 401(k) plans for employees during the past four years (including, more recently, a large number of small companies) in reliance upon the law remaining stable. These proposals do not reflect full understanding that § 401(k) plans entail significantly more administrative expense than required for other retirement plans, which is one of the reasons why § 401(k) plans are not suitable for many small employers.

For example, a great deal of communication with employees is required, and the plan administrator must make certain that payroll deductions are proper and notices of designated election periods are given to employees. Under these proposals the whole structure would have to be revamped (after only recently being put into place) at significant cost to employers. It is simply not fair to these companies or their employees to have this relatively new law so drastically rewritten. This is a particularly appealing area for Congress to express its recognition that certainty in the law is the keystone of retirement plans by preventing yet another expensive change from taking place.

**MODIFICATION OF NONDISCRIMINATORY COVERAGE**

SBCA strongly opposes the 125 percent non-discrimination test proposed in Chapter 14.09 on the grounds that it is (1) extraordinarily complicated; (2) requires maintenance of employee records for a three year period to determine prohibited group mem-

bers; and (3) is unnecessarily burdensome, particularly to small plans. SBCA suggests that if the purpose of these provisions is to remove the present nondiscriminatory coverage test (commonly referred to as the reasonable cross-section test) and to reduce the three year wait to a two year wait, then accomplish these goals without the laborious proposals contained in this Chapter. The present 70/80 test of § 410 is a satisfactory test and has withstood the test of a very long period of time. It is now clear to most professionals who are in day to day contact with the operation and administration of small retirement plans that the retirement plan system, especially in the small plan area, is collapsing from the onslaught of recent legislation. These proposals can serve only to hasten the demise of the system and will certainly not add to the coverage of additional employees.

There is also an obvious question in these proposals, i.e., how do they apply in the context of a one participant plan? Literally, the proposal test would not work in a plan covering only one prohibited group member, e.g., a sales representative, architect, entertainer, etc.

#### CONCLUSION

After struggling to cope with ERISA, TEFRA, DEFRA and REA, the small business community cannot help but feel their retirement plans exist in an open hostile environment. SBCA believes that many small businesses which have maintained their plans in spite of all the administrative and economic obstacles will consider another re-vamping and "improvement" of the present pension system as the "last straw" in forcing them to terminate their plans. The effect of these terminations will not only hurt the small business owners in their retirement planning but will also hurt many of the approximate 6½ million participants now covered by small plans.

The private pension system has for well over 40 years functioned in large part because of tax incentives. Small businesses, however, will not continue to maintain their plans or adopt new ones if they must absorb more administrative costs due to complexity and constantly shifting pension laws, particularly in light of the already discriminatory restrictions on small business plans. It is clear that if the "cost" of adopting or maintaining a qualified retirement plan is too great in comparison to the "benefits" to be received, the vast majority of the entrepreneurs (who make the decision to adopt or maintain a retirement plan for themselves and their employees) will simply forego the "opportunity" to do so.

A sad but unquestionable result of the adoption of the President's Proposals which pertain to pensions is that (without arguing the substance of these proposals) a vast number of the small businesses will simply no longer incur any more costs to amend their plans again. The "bottom line" and unfortunate result is that many small business members will terminate their plans rather than bear the burden of another re-statement.●

## EXTENSIONS OF REMARKS

### STATE OF NEW YORK SALUTES MELVYN BLACK

#### HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. ADDABBO. Mr. Speaker, I would like to bring to the attention of my colleagues the accomplishments of Melvyn Black.

The senate and assembly of the State of New York recently passed resolutions honoring Mr. Black for his many years of service on behalf of the disabled.

In their resolutions, the senate and assembly honored Mr. Black for his "selfless dedication" and "his outstanding contributions to the disabled of New York State." They further acknowledged that "his commitment has helped countless others to live fuller more rewarding life."

Over the past 20 years, Mr. Black has tirelessly contributed his time, energy, and talents to numerous causes and organizations seeking to improve the quality of life of disabled people. Melvyn Black is truly deserving of the recognition afforded him by the State of New York and I look forward to many further contributions from him in the future.

I submit for the RECORD the resolution of New York State Senate which is identical to the one passed in the assembly.

STATE OF NEW YORK LEGISLATIVE RESOLUTION HONORING MELVYN BLACK FOR HIS COMMUNITY SERVICE AND CONTRIBUTIONS ON BEHALF OF THE DISABLED

Whereas, Melvyn Black, a vital and vigorous leader in Massapequa, New York, has dedicated the last twenty years of his life in voluntary service to the disabled community, seeking equality in all aspects of life, in both the public and private sector; and

Whereas, Mr. Black has tirelessly contributed his time, energy and talent to a myriad of organizations which have clearly distinguished him as a champion of the rights of the disabled; and

Whereas, His unswerving commitment was manifested in his work as Co-chairman of the Marketing, Media and Fund-raising Committee for the 1984 International Games for the Disabled; and

Whereas, In order to better protect the rights of disabled persons, Melvyn Black serves as a voluntary consultant to members of the New York State Senate Select Committee on the Disabled; as a member of the New York State Assembly Task Force of the Disabled serving as Chairman of the Employment Committee; he was a member of the New York State Governor's Commission for the 1981 International Year of Disabled Persons; and he is a former consultant for the New York City Mayor's Office for the Handicapped; and

Whereas, He is President of Affirmative Action Associates, which attempts to place in the general employment market disabled individuals and encourages outreach programs on the part of private industry; and

Whereas, The high regard in which Melvyn Black holds all persons has been

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further demonstrated by his contributions as a member of the Board of Directors of the National Council of Christians and Jews; and

Whereas, The Fifth National Amputee Championships to be held June nineteenth through twenty-third, nineteen hundred eighty-five, in Nassau County, has also benefited from the guidance of Mr. Black, a member of the Championships' Advisory Board; and

Whereas, It is the intent of this Legislative Body to publicly recognize and applaud those citizens of this Empire State who have, through a long and sustained commitment, contributed to the preservation and enhancement of the quality of life of their fellow citizens; now, therefore, be it

Resolved, That this Legislative Body pause in its deliberations to honor a man of selfless dedication, Melvyn Black, on his outstanding contributions to the disabled of New York State; his commitment has helped countless others to live a fuller, more rewarding life; and be it further

Resolved, That a copy of this Resolution, suitably engrossed, be transmitted to Melvyn Black, 8 Oxford Avenue, Massapequa, New York.

Adopted in Senate on May 29, 1985.

By order of the Senate,

STEPHEN F. SLOAN,  
Secretary.●

## THE "JUSTICE" DEPARTMENT

### HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. HUBBARD. Mr. Speaker, some of the politicians at the U.S. Justice Department are working overtime nowadays trying to keep up with the latest developments surfacing about their investigation of the E.F. Hutton & Co. illegal check-kiting scheme which involved 400 banks nationwide.

One reliable source says the busiest people in the Justice Department this week are those working the copy machines in order to make available the latest revelations about the Justice Department appearing in the New York Times, the Washington Post, the Wall Street Journal and other major newspapers.

Asst. Att. Gen. Stephen S. Trott, Chief of the Justice Department's Criminal Division, is quoted in today's Washington Post as saying that E.F. Hutton president, Scott Pierce, "didn't know what he was talking about" when Mr. Pierce said that the brokerage firm would have agreed to plead guilty to an illegal check-kiting scheme even if E.F. Hutton officials or employees were to be indicted.

Mr. Pierce said just that on May 9 on the MacNeil/Lehrer News Hour.

Mr. Trott, also a guest on the same program, did not argue the Pierce comment on May 9 on the public television program, according to a MacNeil-Lehrer transcript. However, yesterday Mr. Trott said:

With all due respect, he (Mr. Pierce) was wrong. The settlement was available if individuals were not in it. Hutton was willing to put this to bed, but not if you had in it those . . . low-level individuals. Hutton was making it (the nonprosecution of individuals) sort of a quid pro quo.

Mr. Trott at least lets us know that E.F. Hutton officials were in control of the settlement with the Justice Department.

"Low-level individuals?" Mr. Trott writes in his prepared remarks submitted to the House Subcommittee on Crime of our Judiciary Committee for a scheduled June 5, 1985, hearing about the E.F. Hutton investigation:

As to the individuals primarily responsible in a criminal sense for this activity, there were essentially two key people.

Attached to the Trott testimony and submitted simultaneously to the House Subcommittee on Crime was the Justice Department's "summary of the E.F. Hutton & Co. Inc., investigation and prosecution." In the summary the Justice Department says:

We ultimately viewed our choice as one between an uncertain prospect of convicting two mid-level individuals who did not gain from the fraud against the uncertainty of a broad based enforcement stroke that could immediately wipe out cash management abuses throughout the business community.

According to transcript No. 2509 of the May 9, 1985, television broadcast of the MacNeil/Lehrer News Hour, we read the following remarks made by Assistant Attorney General Trott.

Trials are risky, they're unpredictable. This case involves seven million documents and a theory and a scheme that was so intricate and complex that many, most of the banks did not even realize they were the victims of a swindle until we went around and explained it to them. We thought that three years' worth of a trial at the end of that you're getting some individuals—that the package that's right now is much more important. People need confidence in the banking system now. This case needed resolution now, and that's what we've given it.

I don't really think so. We traced this in the money management end of the business. I can tell you that there were people who were running this scheme who were absolutely 100 percent aware of exactly what they were doing and recognized it as—

We could only uncover pretty much what Mr. Pierce said, that they were doing this on behalf of the company. This truly seemed to be a corporate venture. The intent was to beat the high interest rate, which was 18 to 20 percent at that time. This in effect was stealing interest-free loans from banks for short periods, one, two and three days. And it seemed to be truly a corporate venture. Mr. Pierce is right, they were getting credits, bonuses for profitability, but it's not the type of situation—and I don't mean to minimize it—where people were stuffing the money that was being stolen in their own pockets. They were stealing interest-free loans for Hutton's use."

First of all, I'm delighted to hear Alan say it ought to be a higher priority. It ought to be a higher priority; it is a high priority. It was a very serious crime. I don't want to repeat myself, but we feel that it was an as-

sault on the integrity of the banking system. Many small banks were involved in this. If somehow this had gone awry and the banks had failed, a lot of individual depositors would have been left holding the bag. We think it's a very serious crime.

No. Our policy is to attack each case as the interests of that case require. And Alan is right, I know how to get individuals, and I can tell you, Alan, in this case, to do that would have required that we put off this whole thing for three years. We took an attractive package now that we think serves the interest of justice.

This settlement was not agreed upon until it became absolutely crystal clear to the career lawyers and to everybody else. Alan, that that was not a reality, that was not a real possibility in this case. This case would have required a trial because of the gray area that was described concerning what people down the line thought was going on. This was so complicated that many of the people required to carry out this scheme didn't even lack the knowledge to know what it was. They were working off of formulas, drawdown sheets, complicated procedures, and it really escaped not only some of the people in Hutton, but the bankers didn't even realize what was happening to them.

Mr. Speaker, as I've said many times, more and more Americans are becoming aware that the U.S. Justice Department is the most politically conscious, politically active agency in our Federal Government.

What our Justice Department wants the American public to believe is that, untouched by human hands, the corporate entity known as E.F. Hutton was able all by itself to carry off a complex and profitable fraud.●

#### A BREAKTHROUGH PROPOSAL FOR ARMS CONTROL

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SOLARZ. Mr. Speaker, I am pleased to announce that today I am introducing, with the Honorable Jim Leach of Iowa, distinguished member of the House Foreign Affairs Committee, a concurrent resolution which urges an approach to the arms control talks that we believe will break the current stalemate in Geneva. An identical resolution is being introduced in the Senate by the Honorable Gary Hart of Colorado, distinguished member of the Senate Committee on Armed Services.

The resolution we are introducing provides the basis for a breakthrough in the arms control negotiations in Geneva. We believe the best opportunity to achieve an arms control agreement lies in a tradeoff involving significant reductions in the number of offensive nuclear weapons and restrictions on the development, testing, and deployment of defensive systems.

The resolution will focus in a constructive fashion our country's debate over star wars. It will help to set the

stage for an expression of congressional opinion on this vital issue that could lead to a change in the American negotiating posture which is a necessary if not sufficient condition for a breakthrough in these vital negotiations.

Unless we are prepared to link the two overriding arms control issues of offensive weapons and defensive systems, there will be no possibility of a meaningful agreement in the Geneva negotiations. Unless we are willing to forgo development, testing, and deployment of star wars, the arms control process will be doomed to failure and the stage will be set for a tragic and massive escalation of the arms race in space and on Earth.

An American decision to proceed with an unrestrained Star Wars Program would simply result in an unrestrained Soviet effort to develop more offensive weapons to overwhelm our potential defenses. Rather than having increased our own security, we would have increased the arms race. Instead of bringing the arms race under control, we would have helped to set in motion a dangerously destabilizing and extraordinarily expensive new competition in offensive weapons and defensive systems.

Our resolution does not call for a ban on research into star wars. It is simply not realistic for the Soviet Union to insist on prohibitions on research into strategic defensive systems as a condition for an agreement on offensive nuclear weapons. The Soviets have long been engaged in a significant star wars research program of their own and they are well aware there is no way such a ban could be verified.

If the Soviet Union continues to demand a prohibition on research into star wars defensive systems, knowing that such a ban is neither feasible nor verifiable, it will be clear that the Soviets have no interest in pursuing a meaningful arms control agreement. But over the last few weeks, there have been signs of Soviet flexibility on this issue. The United States must now test Soviet intentions on this critical question.

Restrictions on development, testing, and deployment of defensive systems are verifiable and desirable and should be sufficient to satisfy the expressed Soviet concerns, which our country should share, in preventing the development of defensive systems that could be destabilizing.

For anyone who believes there is a possibility the Soviet Union might accept the administration's refusal to agree to any restrictions on star wars, our resolution might be viewed as undermining the administration's position. But for those of us who believe the administration's present posture is a formula for failure and a prescription for paralysis in the arms control

negotiations, our resolution constitutes an essential effort to begin the process of formulating a more realistic and viable American negotiating position at Geneva.

Our resolution is realistic and responsible.

It offers a realistic opportunity for agreement as it allows each side to accomplish its main objective: For the United States, reductions of offensive strategic weapons; for the Soviet Union, restrictions on the development of star wars defenses.

It is a responsible approach because it prescribes a pattern of mutual and verifiable reductions and restrictions that add up to meaningful arms control.

As people who believe, as John F. Kennedy did, that unless we end the arms race in nuclear weapons, sooner or later the arms race will end us, we believe we have a political and moral obligation to help bring about the kind of change in our negotiating position that can make possible an agreement at Geneva.

I believe the approach we are advancing today will draw strong support in the Congress and the country as a prescription for progress on the most important issue of our time—halting the nuclear arms race.

The text of the resolution follows:

H. CON. RES. —

Concurrent resolution expressing the sense of the Congress that the continued expansion of Soviet offensive nuclear forces and the possible development by the United States of defensive systems to counter that expansion are directly linked and threaten the achievement of a comprehensive arms control agreement; and that, if the Soviet Union agrees to mutual, verifiable and significant reductions in the overall number of offensive nuclear weapon launchers and warheads, the United States should agree to mutual, verifiable and significant restrictions, consistent with and complementary to the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems, on the development, testing, and deployment of components, weapons, supporting systems, and technologies for strategic defensive purposes

Whereas the resumption of arms control negotiations in Geneva renews hope that the arms race may yet be curtailed and the danger of nuclear holocaust reduced;

Whereas respect for nuclear arms control agreements already in force is essential for the establishment of a climate of mutual confidence conducive to the successful negotiation of comprehensive agreements limiting nuclear arms;

Whereas limitations on the deployment of destabilizing and expensive defensive systems, as embodied in the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems, continue to be significant arms control objectives;

Whereas ensuring compliance with existing limitations, particularly as concerns the radar currently under construction at Krasnoyarsk, and expanding those limitations are critical objectives if the arms control process is to enjoy the continued support of the Congress and the American people;

Whereas limited, carefully-defined research on strategic defensive technology is explicitly permitted under existing arms control agreements and necessary to provide a hedge against developments by either side which could undercut those agreements;

Whereas it would not be possible to verify significant aspects of a ban on research in strategic defensive technologies;

Whereas the negotiation of new arms control agreements that are mutual, verifiable, stabilizing, and which significantly reduce nuclear arsenals are in the national interests of the United States;

Whereas there is little likelihood of obtaining an agreement significantly reducing offensive nuclear weapons in the absence of restrictions on the development, testing, and deployment of defensive systems; or of achieving significant restraints on defensive developments without achieving reductions in offensive arsenals; and

Whereas without an agreement restricting the development, testing, and deployment of defensive systems by both sides, there is a very real possibility that the arms race in offensive nuclear weapons will be accelerated rather than contained: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring), that it is the sense of the Congress if the Soviet Union agrees to mutual, verifiable, and significant reductions in the overall number of intermediate-range and strategic, offensive nuclear weapon launchers and warheads, the United States should agree to mutual, verifiable, and significant restrictions (consistent with and complementary to the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems) on the development, testing, and deployment of components, weapons, supporting systems and technologies for strategic defensive purposes.●*

#### INDIAN TRUST BINGO VENTURE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SHUMWAY. Mr. Speaker, I recently submitted for the RECORD an editorial from a Minnesota newspaper about Indian gambling, an issue with which I am very much concerned. In that article, reference was made to the Fond du Lac Tribe's recent acquisition of an abandoned Sears store in downtown Duluth, to be used for the Tribe's high-stakes bingo operation. The following is the announcement of this acquisition in the Bureau of Indian Affairs' "Indian News Notes," volume 9, No. 24:

#### FORMER SEARS STORE IN DULUTH APPROVED FOR INDIAN TRUST LAND BINGO VENTURE

Interior Deputy Assistant Secretary John Fritz, on June 13, authorized giving a former Sears store in Duluth, Minnesota, the status of Indian trust land so it can be used for a high-stakes bingo game to benefit both the Fond du Lac Band of Chippewa Indians and the City of Duluth. The property, after it is taken into trust by the United States for the Band, will not be subject to state regulatory laws restricting bingo games. Under an agreement between the Band and the City of Duluth, the property

will be leased for 25 years to a joint commission of city and tribal representatives that will operate bingo games on the property. Profits from the bingo will be distributed among the city, 25 percent; tribe, 25 percent, and joint commission, 50 percent for development of other projects to benefit both tribe and city. The Fond du Lac Reservation is about 30 miles outside Duluth. The city has suffered economically from the depression in the steel industry.

What is interesting—or, rather, appalling—to me is that this operation will be used to benefit not only the Indian tribe, but the city of Duluth as well. In essence, the city, which normally must comply with State gambling regulations, has now exempted itself from State control by going into business with the Indians, and is earning 25 percent of the profits in the process. Was this the intent of our forebears when Indians were given semi-sovereign status within the Federal system?

I suggest that Duluth's involvement is not only an infringement on the fiduciary relationship between Indians and the Federal Government, but it also lends further evidence of the need to regulate the currently unregulated Indian gaming industry. By enacting regulatory order, the industry will thus lose its appeal for undesirable elements such as organized crime and unscrupulous non-Indian operators, as well as those who would prey on the benefits of the trust relationship between Indians and the Federal Government.●

#### ELEANOR MARIE WADE'S LASTING CONTRIBUTION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. UDALL. Mr. Speaker, at this time I would like to take the opportunity to honor a constituent of mine who passed away recently, a woman whose kindness and compassion are helping others even after her death.

Eleanor Marie Wade was born in 1909 in the rural Minnesota town of Kimball. She spent the formative years of her life on a farm near that community, but like so many of us, she found herself yearning for the excitement and opportunity of the big city; in her case Minneapolis. As a young lady she moved to Minneapolis, a place she would call home until 1968. She worked her way up the corporate ladder, winding up her career as a top secretary for the Crown Zellerbach Paper Co. Following her retirement in 1968, she moved to Tucson, AZ.

In 1980, Ms. Wade became aware of and involved with the Sertoma Foundation. The Sertoma—Service to Man—Foundation works to aid those with communication problems, edu-

cate the public about such problems, and inform the afflicted about the availability of such aid. Ms. Wade actively supported the goals of the foundation, and subsequently bequeathed her entire estate, worth over a quarter of a million dollars, to the Sertoma Foundation. Her estate provided much needed funding that was crucial to the establishment of public education programs and gave the foundation the ability to invest enough money to make it a permanent institution.

It is very difficult to understand the traumas of going through life with speech, hearing, or language impediments. Thanks to organizations such as the Sertoma Foundation, something is being done about these problems. Through public education programs and scholarships for research, the Sertoma Foundation has proven itself worthy of gifts such as the one given by Eleanor Marie Wade. Her generosity and compassion for others also set a good precedent. If more shared her eagerness to help others, mankind would profit in the long run.

Eleanor Wade succeeded in doing what every person dreams of—creating a legacy to be cherished and honored. She should be remembered for her remarkable and generous gift to a worthy cause.●

#### LEAVE BURR TRAIL ALONE

### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. VENTO. Mr. Speaker, once again this year Congress is being asked for money—some \$8.8 million—to pave a dirt road in southern Utah. This is no ordinary dirt road. It is called the Burr Trail and cuts through some spectacular red rock sandstone canyon country, country so special the Congress set-aside part of it as Capitol Reef National Park.

The 66-mile road runs from the small town of Boulder into Capitol Reef National Park where it traverses the Waterpocket Fold, a geologic formation of striking beauty. From the top of the fold, it descends by way of several switchbacks, to the desert floor, where it continues across Bureau of Land Management property until it enters the Glen Canyon National Recreation Area. The road ends at Bullfrog Basin, a resort and marina complex on Lake Powell owned and managed by Del E. Webb Recreation Properties, Inc., a National Park Service concessioner.

My concerns stem from the fact that Glen Canyon and Capitol Reef are both units of the National Park Service, which is under the jurisdiction of the Subcommittee on National Parks and Recreation which I chair. A plan

to blast, widen, pave, rechannel a streambed, build bridges, and realign roadways could have a tremendous impact on these two units of the national park system, and I have followed the arguments for and against the project carefully.

Proponents of this project (which could cost up to \$37 million including the State of Utah's share), say it will stimulate tourism in economically depressed southern Utah. They say more tourists will come to the region if they know they can drive from national park attractions in southeastern Utah, such as Bryce Canyon, Zion Canyon and Cedar Breaks by traversing the Waterpocket Fold to Bullfrog Basin on Lake Powell. They point out that the dirt road is not passable during periods of wet weather, and that its switchbacks prevent its use by tour buses, large recreational vehicles, and vehicles pulling trailers.

In response to the paving proposal, the Park Service and the Bureau of Land Management together wrote an Environmental Assessment. That Environmental Assessment was completed in May 1985, and was the subject of three public hearings exclusively in southern Utah in June of this year. Requests for public hearings in Salt Lake and other areas were denied. After reviewing the document, I must agree with critics of both the road and the Environmental Assessment. This Environmental Assessment is inadequate. It does not fully address the tremendous impacts to the two national park units. It does not, for example, provide any detailed analysis of likely impacts to park property or Bureau of Land Management wilderness study areas, if greater number of vehicles brought greater numbers of recreational users to the areas along the Burr Trail. At present, this is a lightly traveled road, averaging only a dozen or so cars daily. If it becomes a paved highway, and is promoted by the tourist industry, visitorship could increase, bringing with it new demands on the fragile desert environment.

This project is illconceived and will do great damage to the stated objectives of Congress in creating these two parks. The Burr Trail should not be paved through Capitol Reef and Glen Canyon because it will not improve the visitor experience to the parks, and in fact, could seriously detract from it. The main arguments for paving are economic, to stimulate auto traffic between two points. This expensive paving project will not serve to improve visitor enjoyment of Capitol Reef and the Bullfrog area of Lake Powell. It is proposed because it might create traffic to generate sales. Congress and the Park Service must resist this effort to sacrifice a unique national resource for the private gain of a concessioner, and the local economies of Boulder and Garfield Counties.

Trying to project the economic benefits of this road is a little bit like trying to project the real needs of the Pentagon. It certainly would employ a lot of roadbuilders for the year or two it would take to blast and pave its way through Capitol Reef and Glen Canyon. But after the roadbuilders went home, what would be the economic gain? The State of Utah projects car traffic to increase state-wide 6 percent a year into the future. Even if that straight line projection were accurate, does that mean 6 percent more cars would travel the Burr Trail to Lake Powell? Based on State highway surveys in Utah, auto traffic to Bullfrog Basin has actually declined the past few years. Further, without getting into the kind of dubious economic projections which produce these rosy promises of new tourism-related jobs, consider this simple point. If motorists have a paved shortcut from southeastern Utah via the Burr Trail to Lake Powell, they would no longer go through other towns on the present route. Currently, motorists use Highway 24. That's where the Capitol Reef visitor's center, campgrounds, and other visitor oriented services are located. Along Highway 24 there are tourist-related businesses, long-established, which stand to lose business if traffic diverted to the Burr Trail. This proposal to stimulate one part of Utah's economy could harm another part of it.

If the Burr Trail were an all-season, all-weather highway, it would offer a shortcut for motorists traveling from the Southwest to the Southeast. However, the State of Utah already has such a shortcut. The State has just completed paving the road from Boulder over Boulder Mountain, where it connects with Highway 24. This cuts travel time from southwestern Utah park areas to the east already. Paving the Burr Trail would cut the distance another 90 miles. But it would also divert tourists from Highway 24 businesses, Capitol Reef's visitor facilities, and it would speed them through Utah all the sooner. That would seem to run counter to the wishes of businesspersons who want tourists to stay longer and spend their money in Utah.

Even if the economic projections were accurate, and the tourism business of southern Utah would pick up, I would still have to oppose this project on environmental grounds.

An all-weather paved road would open to all types of vehicles one of America's great undisturbed natural and cultural sites. Just off the trail are such attractions as The Gulch, Long Canyon, Muley Twist and the Waterpocket Falls. Two wilderness study areas, Steep Creek and North Escalante Canyon/the Gulch, border the trail. The area contains a number of archaeological sites, dating back 1,000

years. The eyrie of a pair of endangered peregrine falcons is located a quarter mile from the existing trail in Long Canyon. Bald and golden eagles winter in the area. The land itself, sandy and with sparse vegetation, does not heal its scars quickly. Mining roads bulldozed 30 years ago during the uranium boom are still clearly visible, although they've been abandoned a quarter of a century. Now, even though the Burr Trail is readily drivable by an ordinary passenger car—weather permitting—the only users are those with a genuine desire to go off the beaten path in order to see something special. The environmental assessment does not address what will happen if an all-weather highway opens those fragile adjacent park areas to whatever off-road vehicles motorists decide to haul in. Congress can declare a wilderness area, and a national park, but if it turns around and appropriates money to widen and pave a road right through that area which it found so special, it surely is shooting itself in the foot.

The Burr Trail is special. It is an adventure to travel. A motorist, in an ordinary passenger car, can still feel like an adventurer, seeing country only a relative few have seen before. Alternate routes exist for motorists in a hurry, or those in oversized vehicles. Let's save the Federal Government some money, and save some fabulous country by leaving the Burr Trail as it is today.●

#### GENERAL REVENUE SHARING AMENDMENTS

### HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. McEWEN. Mr. Speaker, today I am introducing legislation which continues the General Revenue Sharing Program. This vital Federal effort provides assistance to literally thousands of low-income communities and many large fiscally stressed central cities. In my view the originally intended purpose of revenue sharing was to provide the fiscal safety net for distressed local governments. Under the provisions of our bill, revenue sharing funds will be spent more responsibly by targeting aid only to those needy governments charged with providing basic public service needs.

Mr. Speaker, critics of the General Revenue Sharing Program argue that it makes no sense for the Federal Government to be borrowing billions each year to provide revenue sharing funds to every community regardless of need. I agree. However, the elimination of this program would hurt the neediest communities because revenue sharing represents over 15 percent of

the revenue most low-income communities receive as compared to less than 5 percent in the wealthier areas. In addition, the elimination of revenue sharing would require the largest tax increases in those communities most dependent on revenue sharing for their public service needs and least able to increase their tax burdens. Consequently, under the provisions of our proposal, revenue sharing funds would be better targeted to those communities with the greatest need.

As my colleagues know, good public policy requires that we make responsible choices in reducing the deficit. If we approach reducing the deficit by cutting programs, we should make those cuts in programs that are not targeted and less efficient than the General Revenue Sharing Program. For this reason, I support better targeting of revenue sharing to the more distressed areas across the Nation and the continuation of GRS at its current \$4.6 billion authorization level. I urge the support of my colleagues to maintain the fiscal safety net for distressed local governments.●

#### ADMINISTRATIVE PROCEDURE REFORM ACT OF 1985

### HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. EDWARDS of Oklahoma. Mr. Speaker, today I introduced the Administrative Procedure Reform Act of 1985, a bill designed to increase procedural safeguards for persons who must come before Federal agencies in adversary proceedings.

The constitutional protections available to all Americans in our civil and criminal courts all too often fall to expediency in administrative proceedings.

Administrative law has developed into a sometimes arbitrary method of imposing the Government's will on the individual in ways that he is often helpless to defend against. The powers of some Federal agencies allow bureaucrats to avoid the constraints of the Federal Constitution; permitting search and seizure without a warrant; requiring persons to give testimony against themselves; subjecting citizens to hearings without giving them the right to confront their accusers.

This bill, and the procedural safeguards in it, are badly needed, and I urge my colleagues to review it and support my effort to guarantee constitutional protections to all persons affected by Federal agencies.●

#### INTRODUCTION OF LEGISLATION

### HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. OWENS. Mr. Speaker, today I am introducing a resolution calling on the administration to grant asylum to South Africans who refuse to support South Africa by force of arms.

There is universal military conscription for white males in South Africa. The period of service has increased over the years as the resistance to the evil of apartheid has grown. When the universal conscription of white males was introduced in 1967, the length of service was 9 months. The length of service has now increased to 4 years with the possibility of subsequent call-ups.

Those who are inducted into the South African Defense Force may be called upon to serve in the prevention or suppression of terrorism and in the prevention or suppression of internal disorder. These internal security functions are essentially the support of apartheid by force of arms. To put it another way, these functions can be viewed as the waging of war on the majority black population by the minority of whites who wield power in South Africa.

The issue of conscription into the South African military came to my attention last summer. At that time, I met a young man, Richard Dunne, who had left South Africa rather than serve in the South African Defense Force to impose apartheid on the blacks of South Africa and to participate in the occupation of Namibia and the raids into neighboring states. Mr. Dunne's older brother had previously been granted asylum in the United States, but the initial advisory opinion from the Department of State recommended denial of asylum to Richard Dunne. Although the advisory opinion will be reconsidered, there are no guarantees that there will be a change of position by the State Department.

There are those who bemoan the fact that the peace movement in South Africa is not stronger. It would be best if the transition to majority rule could occur nonviolently. People who refuse to engage in violence in South Africa deserve our wholehearted support. The case of Richard Dunne and his fellow-draft-refusers presents us with the opportunity to support those who work against the evil of apartheid in a nonviolent way. I urge you to join with me in making it clear that this body condemns apartheid and supports those who will not take up arms in its defense.●

THE INTRODUCTION OF LEGISLATION TO AMEND THE FAIR CREDIT REPORTING ACT

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. DONNELLY. Mr. Speaker, today I rise to introduce a bill to amend the Fair Credit Reporting Act to reduce the period of time in which certain adverse information is retained in consumer credit files.

Consumers who have had updated credit profiles have found that credit accounts that had been paid off for more than 4 years previous were still listed as credit risks. Many consumers have times of financial instability. However, their credit rating should not be marred for up to 7 years as a result of those brief periods of financial instability. Four years is a much fairer length of time for the consumer, while still protecting those institutions dealing with consumer credit.

The purpose of this bill would be to amend the Fair Credit Reporting Act to disallow reporting of obsolete information for accounts placed for collection or charged for profit and loss which predate the report by more than 4 years. Also, any other adverse information which predates the report by more than 4 years could not be listed in an individual's credit profile.

This bill will not affect the operation and functions of our financial institutions but will effectively serve as an equitable way of reporting consumer credit information in a reasonable period of time while protecting all consumers. ●

A ONCE AND FUTURE DESERT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. COELHO. Mr. Speaker, the San Joaquin Valley of California, which I represent, has consistently proven itself to be the most productive agricultural area in the world. Events of the past year have placed that status in jeopardy, however, due to questions about the future of irrigation techniques utilized by farmers. Slowly, some farmland and water sources are being victimized by natural elements of the Earth.

We continually hear about the need for technological advancement to improve our defense capabilities, efforts which I support. Yet research and technological achievements must also be devoted to other problems as well, particularly in the areas of agriculture and water reserves. These issues will ultimately impact all Americans, be-

cause our food supplies and natural resources could be threatened.

I would like to share with my colleagues an article on this subject which appeared in the June issue of Discover magazine.

A ONCE AND FUTURE DESERT

(By Gina Maranto)

It's late on a March afternoon in the San Joaquin Valley, and a rainstorm is blowing off the Coast Ranges and across Buzz Allen's 1,120 acres of prime farmland. The light in the tiny frame office building behind Allen's house makes his face seem more bronzed and weathered than it is. He begins talking. His tone is even, measured, but the distress and hurt can be heard, like a harmonic. One suspects it's rare for this tough man to get emotional, especially in front of strangers. "I've fought the wind. I've fought the elements. But this is the worst winter ever," he says. "Nobody gives you a chance to come up with an answer."

Allen pauses, considering the prospects for this planting season and the next. It appears almost certain that his irrigation water, which he buys indirectly from the U.S. Bureau of Reclamation, will be cut off. In the arid San Joaquin, farming without the water that the bureau pumps in from the Sacramento-San Joaquin Delta, 70 miles away, and from various Sierra Nevada rivers, is virtually impossible.

Less than two weeks before, newly appointed Secretary of the Interior Donald Hodel decided that he was legally obligated to stop the federal water supply to 42,000 acres of land on the western side of the valley. His reason: the underground runoff from irrigated farms in the area that flows into the 82-mile-long San Luis Drain and on to the Kesterson Reservoir contains selenium. One of the most widely distributed trace elements on earth, selenium is a necessary dietary supplement for people and animals. But selenium accumulates in the tissues, and some scientists now fear that ingesting more than 500 micrograms a day can be harmful. In 1983, embryos and just-hatched chicks of waterfowl that had nested on the reservoir's twelve ponds, which are adjacent to a 4,700-acre wildlife refuge, began showing up with some of the most disturbing birth defects ever seen in the wild. Misshapen embryos had no wings; chicks hatched eyeless and with twisted beaks. Wildlife biologists were convinced that selenium, leaching from soil on the irrigated farms, was causing the deformities.

"We had no idea what was going on at Kesterson until 1983," Allen says. "Then we thought the bureau was taking care of the problem. But the federal government has destroyed me. Who do you think will pay \$3,500 an acre for this land now? And I've lost something more. I'm a flag waver, but I've lost a chunk of my heart, seeing my President allow a thing like this to happen. Yeah," he concludes, eyeing his visitor steadily, "I'm angry. I'd like to go one on one with Ronald Reagan."

At least for the time being, there won't be any need for Allen or any other San Joaquin farmer to take on the former host of *Death Valley Days*. Just a few hours after Allen voiced his bitterness, the farmers got a reprieve. Word came from Washington that the tap would stay open. Still, growers in the Westlands water district, which covers 942 square miles from Mendota to Kettleman City, aren't off the hook. According to a schedule set by the Interior Department, Westlands farmers must halt the

runoff into the drain by June 1986. That means the farmers have to find some other way to dispose of about 8,000 acre-feet<sup>1</sup> of water.

The poisoning of the Kesterson Reservoir is only a symptom of a far more serious and widespread ecological malaise, one that has begun to plague farmers throughout the arid West. The problem is that irrigation, which not long ago turned vast stretches of western desert into the world's most productive farmland, is now ruining hundreds of thousands of those same acres. It's also polluting marshes, rivers, lakes and estuaries in California, Colorado, and other western states.

The states are in a predicament mainly because the Bureau of Reclamation, in its multibillion-dollar drive since the early 1900s to convert barren western lands into productive farms, ignored a lesson almost as old as agriculture: irrigation of scrub desert is like a lousy marriage—neither partner, the alkali soil or the water, gains much from the association. The water gradually degrades the land by causing a build-up of salts, including sodium, calcium, and magnesium chlorides. Meanwhile, the land, which in some regions is laced with selenium, arsenic, boron, and other naturally occurring poisons, taints the runoff. The pollution of the Kesterson, where poisons have become concentrated, is an example. But a far more widespread and economically troublesome result of the Westlands irrigation has been the salting up, or salinization, of the soil there. It's a process that's becoming increasingly evident throughout California farmlands.

Jack Norlyn, a researcher in the department of land, air, and water resources at the University of California at Davis, likes to illustrate the threat to his state's agriculture this way: "Imagine a train going sixty miles per hour, composed entirely of boxcars full of salt. If there were enough cars to haul all the salt that California rivers contain each year, it would take thirty-six hours to pass you. Since eighty-five per cent of that water is allocated to agriculture, most of the load is being deposited on California farms."

As salinization spreads, the survival of agriculture in the Central and Imperial valleys, which supply slightly less than half of the nation's fruit, nuts, and vegetables and about one quarter of its cotton, could be at stake. In the past year, agricultural researchers have warned that as many as 1.5 million acres in the Central Valley—roughly a third of its irrigated farmland—could be knocked out of production by the year 2000. The statewide toll could be more than double that. Surveys by the U.S. Department of Agriculture reveal that 2.9 million of the state's 10.1 million irrigated acres show signs of salt damage. Salinization may now affect 25 per cent of all irrigated acreage across the nation.

In its early stages, salinization is all but invisible. From the air the San Joaquin looks fine—one vivid green field after another. But salt destroys by degrees. As freshly soaked fields dry out between waterings, salt that's in the soil or in the irrigation water rises to the surface like lamp oil traveling up a wick. If a region has sufficient rainfall, or farmers are able to add a ration of water beyond what the plants need to grow, the salt will be washed down, out of

<sup>1</sup> An acre-foot contains 326,000 gallons of water, approximately the amount that a family of five uses in one year.

the critical root zone. But in the desert, or in areas with poor drainage, where adding extra water merely raises the water table, the concentration of salt near the surface increases year by year, gradually poisoning or dehydrating crops and reducing yields. Even a relatively small increase in salt concentration forces a farmer to switch from vulnerable crops like lettuce or beans to more tolerant ones like barley, cotton, or sugar beets. Land can become "salted out"—covered with a white crust. Heavier soil harden like cement. To reclaim such land by treating it with gypsum (which gives the soil loft and helps remove sodium) is a daunting task. Iraqis struggling to cultivate the land between the Tigris and the Euphrates have discovered that it's still infertile from over-irrigation by Sumerian farmers 6,000 years ago. Back then that land was known as the Fertile Crescent.

San Joaquin Valley growers have fought against salt intrusion since the 1870s, when they began diverting streams for irrigation and, later, started using well water. But the intensity of today's corporate farming makes the battle all the harder. The arrival in the late 1960s of cheap water via the \$1.2 billion San Luis Unit, part of the world's largest reclamation project, stepped up production on 500,000 acres of land in the Westlands water district, where drainage is poor and the water table high.

Because of a buried layer of clay from 20 to 100 feet below the surface, irrigation water percolating through the soil doesn't disperse, but perches on top of the clay. Gradually, the underground water level rises. Beneath some 180,000 acres in the Westlands, saline-laden water sits within ten feet of the surface—in some cases drowning the deep-penetrating roots of crops like cotton and alfalfa.

Almost as soon as the Bureau of Reclamation began in 1967 to send water from the two-million-acre-foot San Luis reservoir to the Westlands district, the water table rose enough to get farmers worried. Under the original San Luis Unit agreement, the bureau had agreed to take care of any drainage problems that might result, and farmers persuaded the bureau to build a master slough that would carry waste water 188 miles north to the eastern arm of San Francisco Bay. But in 1975, with only 82 miles of the drain built and \$40 million spent, the money ran out. Instead of emptying into the bay, the canal simply ended at Kesterson.

Despite the fact that there was no outlet, waste water began to flow into the canal. Between 1978 and 1981, the quality and quantity of the water worsened as farmers along the canal installed tile drains—buried, perforated pipes that collect waste water and feed it into larger pipes that lead to the canal. With the bureau's approval, they sent some 8,000 acre-feet of water a year to the walled ponds at Kesterson. The ponds, four feet deep and covering 1,200 acres, were originally designed to regulate the flow of water in canal. With the project curtailed, they functioned as evaporation ponds.

No one foresaw the selenium hazard then; chemists hadn't yet devised a routine method of measuring it in small quantities. Today, fringed in places by pus-colored mud and crusts of salt, Kesterson has an unsavory aspect. The sparsely vegetated ponds are deserted except for a few stubborn mudhens, or American coots, that have become injured to Fish and Wildlife Service attempts to scare them away. Estimates for cleaning the reservoir, including dredging out a foot

or so of muck and carting it to a toxic waste dump in Kettleman City, run from \$30 million to \$600 million.

The selenium build-up is what has forced Westlands farmers to find some other way of disposing of the waste water within the next year. The best strategy, says Louis Beck, a water quality expert who in 1979 worked on a major study of agricultural drainage done by the California department of water resources, would be to complete the San Luis Drain to San Francisco Bay or run it 80 miles to the ocean at Monterey Bay. The first of those solutions—counting pumping plants, storage ponds, regulating reservoirs, and drains—could cost \$1.2 billion or more. Says Beck, "If you compare the projected production losses caused by salinity—something like \$300 million a year by 2000—to the cost of the project, it looks affordable."

He admits, though, that a master drain will probably never be built. "An extension is completely unacceptable politically," he says. The environment is only one of the public's concerns, perhaps a minor one. With tax dollars in short supply, Californians are wary of colossal engineering schemes that would mainly benefit corporate agriculture. Moreover, ever expanding Los Angeles has begun to cast covetous eyes on the farmers' huge allotments of cheap federal water, which sometimes sells for as little as \$7 an acre-foot. Farmers could handle their drainage problems, the city dwellers' argument goes, by using water more efficiently—and then Angelinos could have the surplus to spray on their lawns and BMWs.

As the flow to the San Luis Drain is cut off, some Westlands farmers will probably begin recirculating water. This would be fairly cheap at first, requiring only minor modifications of existing irrigation systems to cycle runoff through the fields. But because this double exposure would put more salt on the land, growers would also have to monitor and treat soils more vigorously.

The waste could be pumped into wells drilled into deep strata of porous or fragmented rock sandwiched between more solid layers that would theoretically prevent leakage. Senator Pete Wilson (R., Calif.) has proposed boiling waste water for steam, which could be injected into secondary recovery oil fields. Both plans would entail piping millions of gallons of water from farms to distant sites, a consideration that makes them impractical.

The approach that both individual farmers and Westlands irrigation officials favor is to build a series of evaporation ponds covering a total of about fifteen per cent of the poorly drained land in the district. Because of the selenium, these would have to be specially lined to meet state environmental regulations and could cost a total of \$190,000 an acre to construct. Agricultural economists suggest that evaporation ponds are out of reach without subsidies of some sort. Says George Goldman of the University of California at Berkeley, "Farmers are going to have to get subsidies, maybe tax credits or write-offs. The question is, how much is it worth to keep the land in production?"

Environmentalists contend that some tracts in the San Joaquin should never have tilled, especially in areas containing hot-spots of toxic substances. They maintain that growers will simply have to factor the proper handling of wastes into the cost of doing business. "I'm not sure I agree that the cost of handling wastes ultimately gets passed on to the consumer in the form of

higher food prices," says the Sierra Club's Alvin Greenberg. "But even if it's true, the American public has said again and again that it's willing to pay a little more for products if that will protect the environment."

If agriculture is to continue on its present scale in California, then growers, scientists, and policy makers must all soon agree on ways to dispose of polluted waste water for an even more fundamental reason: the quality of the state's drinking water supplies. According to the Sierra Club, a recent and as yet uncorroborated test of San Joaquin River water north of Los Banos showed that selenium was present. This, in the water that's pumped into the California Aqueduct and thence to Los Angeles.

Resolving these conflicts is going to mean that someone loses. It's already evident that without more subsidies for drainage systems, some growers will be hurt financially and additional acreage will become unproductive because of salinization. Agricultural economists think the state and the nation can withstand the loss of 40,000 acres in California without disrupting food supplies or significantly checking the state's robust economy. But the loss of ten, or fifty, times that acreage, which experts admit is possible, could seriously curtail the country's supply of fresh fruit and vegetables, would create severe economic hardship in California's agricultural valleys—with political ramifications no one can predict—and would raise the spectre of vast stretches of California becoming desolate and inhospitable. Although legislators and scientists are now vigorously attacking the drainage problem, making the most dire predictions unlikely to come to pass, researchers like Norlyn, a former farmer himself, know the sombre lesson of history. Says Norlyn, "It's not written anywhere that irrigated agriculture is a perpetual source of sustenance for a civilization." ●

#### THE 100TH ANNIVERSARY OF HOLY NAME CATHEDRAL IN STUEBENVILLE, OH

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. APPLEGATE. Mr. Speaker, I want to bring to the attention of my colleagues in the House of Representatives the celebration of the 100th anniversary of Holy Name Cathedral in Steubenville, OH.

This forthcoming event is on July 19 and will be celebrated with much honor and thanksgiving. Well spoken were the following words in the dedication souvenir of the parishioners of Holy Name Cathedral: "A chosen generation, a kingly priesthood whose present spirit of sacrifice is loudly proclaimed by the monuments to the faith which have been erected by them."

Holy Name Cathedral began as a daughter church in 1885 of St. Peter's Church. Members met in a temporary building. In the year 1900, the church showed signs of deterioration.

Father Hartley shared with his congregation the need to renovate the

building. Donations poured in from 10 Catholic and 9 non-Catholic friends and from the 130 families of the parish. There was no need to borrow money; the donations completely paid for the building. This church is unique in that it has never been indebted to any bank or loaning institution from its humble beginnings to its present beautiful structure. It was consecrated debt-free on October 14, 1900.

Later, people donated many items to the church. Stained glass windows, a marble altar, a beautiful onyx communion rail were all given by members and friends. Even the children caught the giving spirit and worked together to donate an altar of the Virgin Mary and of St. Joseph.

Immigrants began to settle in the Steubenville area shortly after the new building was erected. Lithuanians, Poles, Czechs, and Italians were all welcomed by Holy Name. They held several masses in various languages to help them feel more at home in their new surroundings.

The church continued to respond to the needs of its people. During the Depression, they established a youth camp and in wartime, the church was the headquarters for the Red Cross.

Currently, the parishioners have a prayer line for the sick and hospitalized. They also have established the St. Vincent de Paul Society which assists civic organizations.

Mr. Speaker, Holy Name Cathedral has much to celebrate on its 100th anniversary. Its parishioners are to be commended on their benevolence; everything inside the church and on the grounds were donated by them. Its spiritual leaders are also to be commended for their love and dedication they have continuously bestowed on their flock. It is indeed a rich heritage. ●

IN HONOR OF THE SESQUICENTENNIAL OF WATERFORD, MI

**HON. BOB CARR**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. CARR. Mr. Speaker, it gives me great pleasure today to recognize Michigan's Waterford Township, which is proudly celebrating its 150th anniversary this year. As Waterford's Representative in Congress, I consider it an honor to officially record the township's sesquicentennial in the CONGRESSIONAL RECORD.

The history of Waterford Township is long and illustrious. First settled in 1818 by Maj. Oliver Williams and Alpheus Williams, Waterford took its name from the ford over the Clinton River. Two days' ride from Detroit, Waterford served as one of the early way stations for weary pioneers travel-

ing along the Saginaw Trail into northern Michigan. Later, as the area grew, Waterford developed a reputation as one of the better area millworks. Settlers would travel for days to have their harvest worked through the mills in Waterford and neighboring Drayton Plains. It wasn't long before a small economy developed around the millworks and their customers. Waterford slowly emerged as one of the principal settlements in early Michigan.

Waterford's many lakes have long been a source of pleasure and livelihood for its residents. Early settlers built farms along the lakeshores in order to be close to the irrigation supply. The lakes also served as summer residences for those in Detroit and Pontiac wishing to be close to nature. During the winter months the lakes were a source of revenue as the ice was harvested and sold throughout the area.

Present day Waterford Township consists of several of the old Waterford area settlements, including Waterford Village, Drayton Plains, and Clintonville. The modern automobile industry has provided the Waterford area with hundreds of jobs, and has provided a base for the local economy. Waterford is a community which has capitalized upon its industrious past and laid a solid foundation upon which to move into the next century.

The citizens of Waterford Township are to be commended for their efforts to make their sesquicentennial a year to remember and cherish. It gives me great pleasure and pride to join with them in marking this anniversary, and in looking back over their distinguished history. They have much in common with the rest of the Nation as a community which has grown and changed with the times but has kept the quality of its heritage intact. ●

**DR. SHAHEER YOUSAF—AMERICAN PATRIOT AND PHYSICIAN—TAKES THE WEAPONS OF LIFE TO AFGHAN REFUGEES IN PAKISTAN**

**HON. ROY DYSON**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. DYSON. Mr. Speaker, I rise to pay tribute to a most committed and courageous American physician, Dr. Shaheer Yousaf.

Dr. Yousaf, a highly respected 34-year-old orthopedic surgeon in southern Maryland, is soon to embark on a humanitarian mission to his native homeland of Pakistan. His destination is the Afghanistan Surgical Hospital in Peshawar, Pakistan, where he will train Afghan doctors in the treatment of mine and gunshot wounds. While at

the hospital, Dr. Yousaf will also attend to Afghan freedom fighters who have been wounded in their struggle against Soviet occupation.

More than anything I might say here, I believe that Dr. Yousaf's own words capture the essence of his journey:

In Pakistan today, there are 3 million Afghan citizens living in refugee camps. These people are fleeing across the Pakistan border to escape an oppressive government and the horrors of an ongoing guerrilla war. Many of these people are seriously injured. Often, even young children lose limbs to land mines. Skilled medical care is scarce. The physicians are overworked. There is no one who can train others in the techniques of first aid. Often, even this rudimentary knowledge would save lives.

We are realistic in our goals. We want to help train physicians and emergency personnel to use the tools available to better serve the needy. We know that all of this cannot be accomplished in a single trip. Therefore, we hope to be the first of several teams working with these people over the next eight or ten years.

Dr. Yousaf, who will be accompanied on his venture by Dr. Sid Houff and emergency medical technicians Gary Summers and Marty Stinnett, is prepared to go to the front lines if necessary. He and his colleagues' weapons will not be for war, however, but for life, taking with them antibiotics and medical tools to battle broken bones.

It is a rare individual who sees suffering and selflessly acts to heal it. Dr. Yousaf is such an individual. His spirit of giving and compassion is something for which we can all be proud.

As Dr. Yousaf and his colleagues embark on their mission of peace to this troubled part of the world, I wish them success in their work and a safe return home. ●

A NATIONAL INITIATIVE ON TECHNOLOGY FOR THE DISABLED

**HON. DON FUQUA**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. FUQUA. Mr. Speaker, our generation has witnessed remarkable technological progress, and as chairman of the House Committee on Science and Technology, I am privileged to witness some of this country's scientific and technological achievements.

Some of the most dramatic breakthroughs have been in the area of aerospace technology. In the past quarter century, we have overcome the formidable barriers of time and space and have realized one of the most ancient of human dreams—to explore space itself. The ongoing success of the shuttle program indicates how far we have come in the last two decades.

For example, there have been some remarkable examples of how technology developed by NASA has been spun-off to form the basis of new devices for individuals with disabilities:

First, a robotic arm for above-the-elbow amputees, which is functional and comfortable. Its circuits, batteries, and concepts can be traced directly to the aerospace industry;

Second, two wheelchairs: an electrically powered wheelchair with longer charged batteries and variable speed control, a spinoff from the lunar rover and its unistick control lever; and a composite material wheelchair, which uses strong, lightweight and noncorrosive materials developed by the aerospace program;

Third, an artificial ear that uses an implant with computer chips similar to those used by NASA and employing a silicone developed for aerospace uses which is now included in hundreds of medical devices.

In the field of computer electronics we have succeeded in reducing the equipment size for computers from the equivalent size of the floor of this Chamber, down to the size of a pad of paper, and now we have reduced it down to the size of a thumbnail. With each new succeeding generation of computers we remain at the forefront of this technology.

Our conquest of the technological frontiers of space and Earth means even more when the quality of life for all Americans can be improved. Too often the benefits of this modernization bypass some of the most valuable and needy of our population, individuals with disabilities. It is appropriate in this, the decade of the disabled, that we extend and broaden the benefits of aerospace and other technologies to the approximately 71 million Americans who suffer from some form of disability. The Committee on Science and Technology has held many hearings on this subject over the last several years, so I am aware of how valuable new developments can be in improving the lives of people affected by debilitating conditions.

Mr. Speaker, in the American exhibit at the recent Paris Air Show, there was a very unique exhibit. Sponsored by the Secretary of Health and Human Services, Margaret Heckler, the United States demonstrated its concern for individuals with disabilities by announcing a National Initiative on Technology for the Disabled. The Department's booth displayed the first fruits of this technological harvest—advanced hearing devices, robotic arms, programmable pacemakers, and other devices that offered new hope for those in need. The booth demonstrated the spin-off effect of technological innovations in aerospace, electronics and other fields, and how they can be translated into new freedom-enhancing products and de-

vices to improve the quality of life for individuals with disabilities.

Mr. Speaker, I am also interested in other benefits of this Initiative; namely, products for the elderly. During the next 50 years the number of persons age 60 and over will more than double from 36 to 82 million persons. Today, older persons constitute about 16 percent of the Nation's population. By the year 2030 older persons will represent 27 percent, more than one in every four Americans. Not only is this population growing larger, it is also growing older. By the year 2030, those 75 years of age and over will comprise over one-third of older persons.

There are also other trends in this population that I think are worth noting. In 1960, 17 percent of non institutionalized older persons lived alone. By 1982 this number had risen to 26 percent or 9.4 million older persons. This rate of increase is 2½ times faster than one would have predicted from growth in the older population alone, and most of these are women. This trend, and it appears to be growing, as well as other special needs of the elderly population, lead me to believe that the development of products and devices that will increase the ability of older Americans to maintain an independent and self-sufficient lifestyle is vitally important.

While not necessarily disabled, many elderly individuals do experience a diminishing capacity to maintain a fully active lifestyle. For example, many elderly Americans live in remote areas. As a result of new electronic technologies, they can dial a local hospital and transmit blood pressure and other medical information over the telephone for an immediate diagnosis and appropriate response. In another example, once an elderly person is brought into an emergency room, his or her entire medical history, compressed onto a card no bigger than a credit card, can be retrieved from a wallet or purse. This will significantly improve the ability of medical staff to respond. People 65 and over take an average of six different medications a day, and new technology will help keep track of the proper dosages and timing. The advanced hearing device demonstrated at the Department's booth in Paris indicates how far we have come in improving the ability of individuals to hear.

Mr. Speaker, any initiative that is focused on the need to transfer the technological advances inherent in the aerospace, electronic, and other industries to the needs of individuals with disabilities, and other individuals like the elderly, is one that ought to be supported by all Americans. Secretary Heckler is to be commended for initiating this project and bringing it to the attention not only of America's aerospace industry, but of the interna-

tional community as well. I am proud to see our country the first to take this step in bringing the benefits of modern technology to the most vulnerable and needy of our society. ●

#### TRIBUTE TO BAY PORT, MICHIGAN'S FISH SANDWICH DAY

**HON. BOB TRAXLER**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. TRAXLER. Mr. Speaker, the Great Lakes have, over the years, provided Michigan, as well as many other States, with an abundant and delicious source of fresh water fish: a resource which has proven invaluable, not only from a recreational standpoint but also as a boost to our State's economy.

In light of this, I wish to take the opportunity to give special recognition to the town of Bay Port, MI—often referred to as the world's largest fresh water fishing port. On the 3rd and 4th of August, Bay Port will once again be celebrating its Eighth Annual Fish Sandwich Day.

In Bay Port, fresh water fishing has the distinction of being the biggest industry and largest employer and today, this small community in the Thumb of Michigan remains the only commercial fishing port north of the Michigan/Ohio border.

The residents of the Bay Port area are extremely proud of their commercial fishing industry. Please join with me in commending them for supplying enough fish to be able to serve over 8,000 delicious fish sandwiches on Fish Sandwich Day, August 3 and 4. ●

#### OCTOBER 20-26, 1985, "LUPUS AWARENESS WEEK"

**HON. BRUCE A. MORRISON**

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, today I rise in support of legislation that would designate the week of October 20-26, 1985 as "Lupus Awareness Week."

Lupus claims more victims each year than many other better known diseases such as muscular dystrophy, multiple sclerosis, cystic fibrosis, and leukemia. A half million Americans are estimated to suffer from this disease; 50,000 new cases are diagnosed each year. It is most frequent in women and in blacks, and is now estimated to afflict 1 out of every 245 black women in the United States. Most of its victims are of childbearing years.

There are no known causes or cures for Lupus. It is completely unpredict-

able and, because it has many different symptoms, is often difficult to detect and frequently diagnosed incorrectly.

However, important research and new diagnostic techniques have led to improved therapy and treatment of Lupus patients. We must continue this progress until a cure is found. Lupus Awareness Week can make an important contribution to this goal by helping to increase public awareness of Lupus and by drawing attention to the outstanding efforts of the Lupus Foundation of America, which is taking the lead in this effort.

The Lupus Foundation of America, and its constituent chapters, works throughout the country to serve and support victims of Lupus and their families, and to encourage funding for research and increase public awareness.

The Connecticut chapter of the Lupus Foundation, located in Hartford, CT, has been particularly active in combating the disease. It has contributed over \$200,000 to funding for Lupus research at the University of Connecticut and to Yale University, in Connecticut's Third Congressional District, which I represent. Its founder, Marilyn Sousa, was recently given the distinguished Thomas Jefferson Award for public service in recognition of her efforts. She, herself, is a victim of the disease.

I urge my colleagues to join me in supporting these outstanding efforts and cosponsoring and passing this important piece of legislation.●

**SALUTING THE NATIONAL  
ALUMNI ASSOCIATION OF  
PRAIRIE VIEW A&M UNIVERSITY**

**HON. JOE BARTON**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. BARTON of Texas. Mr. Speaker, I want to call your attention to a very special event that will be taking place in Washington this week. The 11th Annual National Convention of the alumni of Prairie View A&M University in Texas is taking place through Sunday, hosted by the Metropolitan Washington Alumni Chapter.

The event is unique in that it is the first time this group has met outside the confines of the State of Texas. We invite them to absorb the history of this city and to visit with their government leaders.

The theme of this year's convention is "Striving For Excellence," and it epitomizes the thrust of the association in providing moral and financial support to its parent University.

The alumni association represents more than 50,000 students who have

attended the University since its founding 107 years ago. We also salute a dedicated faculty and staff who are constantly striving to develop new generations of leaders each semester.

One of the chief goals of this group is to establish a \$250,000 endowment by the end of 1986. They are also working with alumni of Texas A&M and the University of Texas in planning common educational goals for the 21st century.

Mr. Speaker, we welcome this outstanding group of Prairie View Alumni to Washington and Capitol Hill. We wish them much success during their convention.●

**SUPPORT FOR SOCIAL  
SECURITY COLA**

**HON. OLYMPIA J. SNOWE**

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Ms. SNOWE. Mr. Speaker, I strongly support the motion to instruct the conferees offered by the gentleman from Pennsylvania to insist on granting a Social Security cost-of-living adjustment for the next year.

Supporting Social Security COLA's is a matter of fairness. In 1983, Social Security recipients gave up their cost-of-living adjustment for 6 months. That delay in the COLA caused an average loss of \$120 per retired worker which will continue to accumulate as a loss throughout the life of the system. In addition to that COLA, other provisions were added which served to make the Social Security system solvent but which diminished recipient benefits. The success of those provisions in shoring up the Social Security system has led to a situation in which there are substantial surplus revenues which are accruing in the trust fund. This fund can easily accommodate the promised Social Security COLA, and since the Social Security trust fund is created specifically for payment of Social Security benefits, it makes no sense to forego a COLA.

In its budget proposal, the House stated its support for a continuation of the COLA and its opposition to a freeze. The House has properly understood the importance of the COLA to older persons. Without the COLA, the elderly are vulnerable to inflation and the loss of purchasing power as is indicated by the fact that a 1-year COLA freeze would put over 500,000 older persons into poverty. In my own State of Maine, over 60 percent of aged widows and widowers had incomes from Social Security that were less than \$400 per month—that is only \$4,800 per year.

Nationwide, Social Security accounts for nearly 80 percent of the cash income of the low-income elderly, and

almost 40 percent of the cash income of the average elderly individual. Thus, when we talk about freezing the COLA, we are not merely discussing an academic manipulation of numbers. We are talking about a program that provides a substantial portion of the income of those who receive benefits.

Next month is the 50th anniversary of the passage of the Social Security Act. At a time when we should be celebrating a program that has transformed the economic security of the elderly, we are instead talking of cutting benefits to recipients. Under no circumstances should Social Security be used as a vehicle for balancing the budget.

Each one of us in Congress must stand up and be counted on this issue. We must not break faith with those who expect and need their Social Security benefit with a full cost-of-living adjustment. We must keep the promises we have made.●

**BE NICE TO NEW JERSEY WEEK**

**HON. H. JAMES SAXTON**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SAXTON. Mr. Speaker, it was recently brought to my attention that there has been a movement afoot to have this week declared, perhaps unofficially, as "Be Nice to New Jersey Week."

This idea stems from New Jersey's reputation as the most maligned State. Certainly, our great State never asked for the wild assortment of unfair humor which has been directed our way over the years.

Oh, I've heard many of these alleged jokes, such as, "If this is 'New' Jersey, just imagine what 'Old' Jersey was like." And then there is the comment, "New Jersey is a great State to live in; just ask all the people who have moved away."

I am also taking this opportunity to report that our official State bird is not the mosquito, and that our actual State bird, the eastern goldfinch, is not a commuter.

But perhaps it is most interesting to note that "Be Nice to New Jersey Week" did not actually begin in the New Jersey. The idea has been generated and publicized by Lone Star Publications of San Antonio, TX. This company, Mr. Speaker, is in the business of publishing humor material—and it happens to think that New Jersey has gotten a bad rap. I quite agree.

Finally, I would make one further point. For all the jibes directed at our State, the fact of the matter is that tourism is our No. 2 industry, generating upward of \$9 billion a year.

Recently, I visited the oceanfront resort of Long Beach Island, which is located in my district. I am happy to report that, based on my observations, New Jersey is off to yet another successful tourist season.

In other words, Mr. Speaker, people may joke about us, but they still like to spend their leisure time with us.

From all appearances, our State's slogan—"New Jersey and you, perfect together"—has served us well. ●

THE COMMUNITY INFORMATION  
AND EMERGENCY RESPONSE  
PLANNING ACT

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. GALLO. Mr. Speaker, today I am introducing legislation designed to establish a flexible national plan which will enable people who live in communities in which hazardous substances are located to determine what can go wrong, how likely it is that something will go wrong, if it does happen what the consequences will be, and what can be done for community and personal protection.

The tragedy of Bhopal and the close calls posed by incidents in our State of New Jersey have made it painfully clear that the fundamental challenge to modern industrial society is to encourage growth and productivity in a manner that protects human health and the environment.

To meet this challenge, our laws and regulations must be capable of accommodating different conditions so that the environment is protected and new technologies flourish in safety.

We have a national problem which demands local remedies. This means that we must be flexible, we must innovate and we must get in the habit of cooperating with each other to arrive at solutions.

To state the obvious, all hazardous substances are not alike. There are substances that are so combustible, inflammable or toxic that any accidental release creates a situation of emergency. And, there are substances which, over a period of time, may cause long term or chronic damage to people or the environment.

In order to handle the differences in hazardous substances and in order to have the flexibility to deal with local conditions, the Community Information and Emergency Response Planning Act, which I am introducing today, requires that an owner or operator of a facility at which hazardous substances are located report relevant information concerning those substances in a way which is of use to the people of the affected community.

Under the provisions of this bill:

The Governor of each State appoints an emergency response commission which designates regions within the State. The commission appoints regional emergency response committees which must include representatives of the following: elected officials, law enforcement, civil defense, firefighting, health and transportation personnel, community groups, and the people who are in charge of the facilities where hazardous substances are located.

The regional response committees are the centerpiece of this plan. The members will collect information, evaluate community resources and provide the coordination and planning necessary to be certain that the right response is made to an emergency and that the citizens of the community know what is going on.

The regional committees will have a great deal of responsibility and flexibility. Each committee may elect its own officers, appoint ad hoc committees of interested citizens and request assistance from Federal, State, and local officials as its members deem necessary.

The first job of the regional committee will be to provide, within 24 months of the date of the enactment of this bill, an emergency response plan designed to minimize the injury to human health and the environment which could arise from an accident involving an especially dangerous hazardous substance. The emergency response plan will state who is in charge at each facility, who should be notified in case of emergency, how the public will be notified, and what will be done by whom. The plan will also contain an evaluation of the medical, police, health and firefighting resources available and will make recommendations as needed.

Within 12 months after the enactment of the bill, the Administrator of the Environmental Protection Agency will publish a list of those substances which are so volatile, combustible, flammable, radioactive, dispersible or toxic that a release involving such a substance should be treated as an emergency because there will be an imminent and substantial endangerment to health or the environment.

Any person, including a regional committee, can petition the Administrator to list additional substances. Exemptions may be granted only after notice and public comment. If the exemption is sought in connection with an activity in a specific community a local hearing must take place.

Owners or operators of facilities at which these especially hazardous substances are stored must submit to the regional committee, and to any other agency designated by the committee, hazardous substance reports. The reports must include the approximate amount of the substance, a map show-

ing its location on the premises, potential routes of human exposure, symptoms of exposure, and a description of appropriate emergency procedures.

Not only must owners and operators of private facilities file this information, but also, the agency or contractor in charge of local toxic waste sites must provide similar information. In addition, the owner or operator of sanitary landfill must file if the facility contains a designated substance.

As soon as practicable, in the event of a hazardous substance emergency, an owner or operator must provide an emergency bulletin to the appropriate regional committee. The bulletin will state what happened, what has been done and what should be done.

Information also must be provided about those substances which may be dangerous over a period of time. In order to make the information available to community members while avoiding unnecessary duplication, owners and operators will be required to submit material safety data sheets, supplemented by a statement of the amount of each chemical located at the facility. Material safety data sheets are now required by the Occupational Health Administration under its hazard communication standard.

All of this information will be made available locally at a location designated and publicized by the regional committee.

The bill preempts those State laws which require reporting information for the same purposes as this bill. However, provided it acts within 6 months of the enactment of this legislation, a State may pass laws which are more protective of health and the environment.

The bill protects trade secrets but requires the properties and effects of all hazardous substances to be disclosed. The specific name and chemical identities must be disclosed to health professionals if needed. The health professionals may be sued for unauthorized and unnecessary disclosure.

A range of civil and criminal penalties are provided. The penalties range from a \$10,000 fine for failure to provide a material data safety sheet to not more than 3 years of imprisonment for a knowing and willful violation. Citizens' suits are authorized.

I am sure that each Member of Congress can recall situations within his or her district that have required emergency personnel to react quickly to potentially disastrous situations involving this classification of substances.

The current question before us is how best to provide this information quickly and in a usable form.

This bill accomplishes those goals in a responsible way by taking a balanced approach that creates national stand-

ards without taking away local initiatives. It is an approach that provides necessary information quickly to those who need it without creating massive amounts of paperwork or mandating bureaucratic processes that duplicate current laws and requirements.

We must promote cooperation to get this important job done. ●

#### WOMEN AND THE POWER LOOK

### HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. MARKEY. Mr. Speaker, despite numerous setbacks in recent years, women have made great strides in increasing their political influence. Besides the ground-breaking candidacy of our former colleague, Geraldine Ferraro, we have seen women move into prominent positions at all levels of the political process.

While these dynamic and courageous women have paved the way toward a more accessible government, we must take notice of the need for their further advancement. Nowhere was this need more recognized than at the recent convention of the National Womens' Political Caucus [NWPC], where many of the Nation's most powerful and influential women plotted strategy for the future of the women's movement. These eminently successful women are living tribute to the spirit necessary to overcome the barriers that confront their sex, and serve as role models for women worldwide. Yet they recognize the possibilities for women to advance to even greater achievements and are prepared to lead the movement on an upward journey to greater political equality.

In tribute to these remarkable women, I would like to submit for publication in the RECORD an article by Columnist David Broder from the Washington Post. I feel this article poignantly captures the spirit of the occasion and effectively illustrates the changing attitudes among Americans.

The text of the article follows:

#### WOMEN AND THE POWER LOOK

(By David S. Broder)

ATLANTA.—While America was celebrating the release of the 39 men who had been held hostage in Beirut and preparing for the annual Independence Day commemoration of the Founding Fathers, many of the women political activists of the nation were here on business of their own.

I had thought that the biennial convention of the National Women's Political Caucus (NWPC) would be a hand-dog affair, because Ronald Reagan, an opponent of the Equal Rights Amendment and freedom of choice on abortion, had been overwhelmingly reelected and Geraldine A. Ferraro had seen her hopes of becoming vice president crushed. But I could not have been more wrong.

The hundreds of women delegates who came here from as far away as Anchorage

were "dressed for success," I was told, because they have experienced significant gains in political power—and are anticipating more.

"They are not dressing up for you [the press]," said Democratic Party activist Ann Lewis, noting the contrast with the jeans and T-shirts that dominated the NWPC conventions in the 1970s. "These are their working clothes; they're what they have in their closets."

"These are serious, sophisticated, steady people," said Ruth Mandel, director of the Center for the American Women and Politics at Rutgers University. "And they work at politics just as seriously as they work at everything else in their lives."

Republican Susan McLane, a New Hampshire state senator whose daughter is also in the New Hampshire legislature, noted that many of her contemporaries in the women's movement had brought their under-30 daughters with them to Atlanta, and that the younger women were clearly setting their own political sights higher than most of McLane's contemporaries had dared to aim.

They are not foolish to do so, for the barriers to women's power in politics are crumbling fast. In the 14 years since the NWPC was founded, the firsts for women include the chairmanships of both major parties, the first elected attorney general, the first ambassador to the United Nations, the first Supreme Court justice, the first governor and senator elected initially in their own right and, of course, the first vice presidential nominee in Ferraro.

To the women in Atlanta, Ferraro was clearly a success symbol—despite the shelving of her ticket. During the campaign, she had drawn big crowds and had held her own in debate. She emerged from the loss with increased poise and confidence (to say nothing of lucrative television and book contracts). New York polls show her as a credible 1986 challenger for a Senate seat.

Nor is she alone. Lt. Gov. Harriet Woods of Missouri and Rep. Barbara Mikulski of Maryland, both Democrats, also have polls showing them strong contenders for the Senate, if they decide to make the race. And former Oregon secretary of state Norma Paulus, another visitor, is almost certain to be the Republican nominee for governor.

There just is no quit in the women of either party. Republican feminists have the toughest time of anyone in the Reagan era, but at least 75 of them spent several hours earnestly pledging to keep up the fight despite the odds. The indomitable former GOP national chairman, Mary Louise Smith, urged them to challenge the platform adopted at the convention in Texas. "There is life after Dallas," she promised.

Monica McFadden, the NWPC political director, said she was struck by the number of young women who were ready to outline their own 10-year plans for political advancement. Instead of needing reassurance from older role models, more than 300 of them sat through a day-long seminar on advanced political techniques and peppered batteries of campaign consultants with probing questions.

I have to admit that I am impressed by these women. I don't feel like an objective reporter when I hear a bright young woman like Maria Luisa Flores, the youngest of nine kids in a Laredo, Tex., family, tell how she worked her way through law school and landed her current job as administrative assistant of a Texas woman legislator. Her talent and drive shine as bright as her eyes.

But much as I admire the young career women, I have a special feeling for someone like Marian Spencer, a longtime Cincinnati community leader, who won her first elective office, to a seat on the city council, in 1983 at the age of 62. After 40 years of lobbying and pleading with others to help her causes, she said without embarrassment, "I love having power."

She's seeking reelection this year and would be aiming for higher office, except "my husband and I had made so many plans, and he retired last year expecting me to be available."

"Otherwise," she said, capturing the spirit of this gathering, "the sky's the limit." ●

#### HIGHWAY SAFETY ACT OF 1978

### HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. TRAFICANT. Mr. Speaker, I rise today to introduce a bill that is designed to promote fairness by including guardrails and safety appurtenances in the same category as other road safety improvements projects receiving 100 percent funding out of the highway trust fund.

Under the "categorical" programs established in the Highway Safety Act of 1973, 90 percent Federal sharing was authorized for road safety improvements projects out of the highway trust fund. In the Highway Safety Act of 1978, the railroad industry was successful in securing 100 percent funding for certain rail/highway crossing projects. The traffic signalization industry secured a similar 100 percent Federal funding authorization for signalization projects. The Surface Transportation Act of 1982 accorded pavement marking projects 100 percent funding. As a result, all three types of projects enjoy a decided advantage over other road safety improvements, including guardrail and safety appurtenances.

Section 120(d) of title 23, United States Code, now provides that:

The Federal share payable on account of any project for the elimination of hazards of railway/highway crossings \* \* \* and for any project for traffic signalization or for pavement marking, may amount to 100 percent of the cost of construction of such projects \* \* \*.

Without, in any way, disparaging the safety benefits of these kinds of improvements, evaluation confirms that, in the usual case, the safety payoff of guardrail installations at hazardous locations and their upgrading where needed matches or exceed pavement marking, traffic signalization, and rail/highway crossing projects. Hence, even more than the latter types of improvements, guardrail and safety appurtenances merit 100 percent Federal funding. Conversely, the Federal sharing discrepancy which now exists, tends to discrimi-

nate against guardrail and safety appurtenances projects in favor of other, less cost-beneficial projects which have been singled out for 100 percent funding treatment. In the long run, this costs lives and injuries which might be saved or prevented if equal Federal sharing for guardrail and safety appurtenance projects were provided.

I urge my colleagues to join me in sponsoring this meritorious measure. Thank you.●

**VILLANOVA RESIDENT ENDS  
DISTINGUISHED SERVICE IN  
ARMY RESERVE**

**HON. LAWRENCE COUGHLIN**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. COUGHLIN. Mr. Speaker, I pay tribute today to Col. Julia B. Paparella, a member of the Army Reserve and a constituent, who will retire on Friday, July 12, 1985, after nearly three decades of distinguished service.

Colonel Paparella has compiled an enviable record in a service career that has spanned three major conflicts an almost three decades. From 1943 to the present, she has given freely and devotedly of her time, energy and expertise to improving the Army Reserve, especially the medical elements.

A veteran of overseas service, Colonel Paparella served with the 5th General Hospital in England and France during World War II. She was assigned to a reserve unit in Philadelphia when she returned home.

Colonel Paparella's last Reserve assignment has been with the 361st Evacuation Hospital and she has been attached to the 338th Medical Group as Acting Inspector General. The group includes six subordinate medical units. She has been responsible for receiving, processing and recommending solutions for complaints to the Inspector General Office of the 79th U.S. Army Reserve Command—the overall authority for the eastern half of Pennsylvania and the State of New Jersey. Her last 2 years of annual training have been served with the Chief, Army Nurse Corps, at the Pentagon.

As a civilian, Colonel Paparella is an associate professor of nursing at Villanova University. She has contributed to the development of nursing education and nursing science for more than 40 years. Widely-respected in her field, she has held office in a number of professional, military, academic and community organizations.

I am sure that the military and nursing science communities, as well as her family and many friends, long have recognized her significant contributions. She and her husband, Benedict, a professor of philosophy at Villanova University, live in Villanova. I extend

my congratulations to both of them on Colonel Paparella's proud and effective record. Truly, Colonel Paparella has set lofty standards of excellence.●

**THE 50TH ANNIVERSARY OF  
FRIENDLY ICE CREAM—JULY  
11, 1985**

**HON. SILVIO O. CONTE**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. CONTE. Mr. Speaker, I have served on the Small Business Committee for 27 years, longer than any other member of the committee, and it always makes me very happy to see a small business make good. Friendly Ice Cream is a prime example of one such business, and this year they are celebrating their 50th anniversary.

In 1935, two young brothers from Springfield, MA—Prestley and Curtis Blake—borrowed \$547 from their parents to open up a modest ice cream shop. They called it Friendly Ice Cream because they wanted their shop to reflect a friendly attitude and have a warm and comfortable atmosphere that would bring people together.

The two brothers worked every day from 11 a.m. until 5 a.m. the next day because of their belief in a strong work ethic and in customer satisfaction. In 1935, a double-dip ice cream cone cost 5 cents, and Pres and Curt's salary was \$2 a week. Friendly Ice Cream was built on the foundation of honesty, integrity, and good judgment. It has maintained these principles throughout the past 50 years, sharing their success with many worthy, charitable causes.

By the end of the 1950's, Friendly Ice Cream had increased from one small shop to 50 restaurants in the New England area, and the annual sales multiplied to over \$4 million. By 1974, two ice cream processing and distribution plants had been opened in Wilbraham, MA, and Troy, OH. The number of restaurants had grown to 400 and their annual number of customers reached 100 million.

As the company grew, and Curtis Blake was asked to explain the formula of the company's success, he responded: "The basics don't change. The company's strength is in its old-fashioned adherence to conservative philosophies." One key to Friendly's success, however, is their self-sufficiency. Their effective teamwork and their production of their own ice cream and machinery have insured quality control and an ability to respond to consumer's needs.

In 1979, Friendly Corp. was purchased by Hershey Foods Corp. for over \$162 million. They expanded to include restaurants throughout the Northeast and Midwest, and today

there are over 725 restaurants in 17 States. This summer, over 30,000 Friendly employees will serve over 62 million customers.

With Friendly's dedication to honesty, hard work, and customer satisfaction, they have grown from a tiny enterprise to a large, successful company. I feel very sorry for all the Members of this House who have not enjoyed the delights of a Friendly ice cream cone. My only hope is that in the next 50 years, we will see the return of their swiss chocolate almond sundae.

For half a century, Friendly's has been committed to the idea that if you serve good food at a fair price with friendly service, the customer will always come back. And after all these years, they're still Friendly.●

**THE SUPERFUND EXCISE TAX IS  
A BROAD-BASED WAY TO PAY  
FOR THE CLEANUP OF HAZ-  
ARDOUS WASTES**

**HON. RALPH M. HALL**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. HALL of Texas. Mr. Speaker, yesterday I introduced a bill (H.R. 2948) to provide an equitable and reliable long-term funding program for the Superfund. Mr. TAUZIN and Mr. BREAUX have joined me on this bill.

Superfund represents one of the most complex and controversial issues ever addressed by the Congress. The program was established by the Congress in 1980 to cleanup an unspecified number of abandoned hazardous waste sites. The \$1.6 billion fund was financed largely by a tax on chemical feedstocks and on oil. This is an extremely narrow-based tax with 12 companies paying over 70 percent of the money. Feedstocks produced in the south and southwest are assessed for more than 75 percent of the total tax, despite the fact that these States have only a small percent of the waste sites. Clearly, States in these regions can't continue to pay such a disproportionate share of a program, which could cost as much as \$10 billion over the next 5 years. With the current fund expiring on September 30, 1985, Congress faces the difficult task of reauthorization.

Several important lessons have been learned. Although progress to date has been slow with only a small number of sites being cleaned up, EPA estimates that only 15 sites will be cleaned up by September 30, 1985, and that the unobligated balance of the fund will be less than \$10 million on that date. The problem is far greater than originally envisioned with almost 800 sites now listed on the National Priority List [NPL]. There now is broad recognition

that the cleanup of abandoned hazardous waste sites is a societal problem extending beyond the chemical and petroleum industries. A careful review of the approximately 4,000 companies that have been identified to date as potential responsible parties for the NPL sites indicates that virtually every manufacturing industry has contributed to this national problem. Since all of industry has contributed to the problem, all of industry should pay for the cleanup. This is particularly true since the fund is primarily directed at the cleanup of sites where those responsible are unknown.

After carefully studying this important issue, I have become convinced that the most reliable and equitable long-term funding approach for an expanded Superfund is the broad-based tax approach adopted by the Senate Finance Committee, and I am introducing the Senate broad-based approach for consideration by the House. Under this approach, all additional revenue needs above the \$300 million per year feedstock tax would be raised by the enactment of a broad-based manufacturing excise tax. This simple tax approach represents the most equitable and reliable funding approach for the following reasons.

Worldwide market realities are such that the existing feedstock tax simply cannot be raised. The petrochemical industry is suffering considerably from the effects of the last recession and is now in a vulnerable position because of the construction of plants in the middle east and other areas rich in cheap supplies of oil and gas and cheap labor. The hard fact is that when we tax our domestic chemical industry, we encourage loss of jobs and production of chemicals outside the country, and we encourage industrial users of the chemicals to manufacture their products outside the country. This is counterproductive for the U.S. economy.

The manufacturing excise tax has a rational relationship to the cleanup problems. Virtually all manufacturers and producers either produce chemicals, use chemicals or chemical-related products or have benefited from the lower prices associated with past disposal practices. Furthermore, with a tax base estimated at \$1 trillion, the proposed manufacturing excise tax would impose a very low tax burden on all manufacturing industries. Small businesses would be exempted completely, along with services industries and agriculture. Particularly important, because the excise tax is structured as a tax on the sale, lease or import of manufactured goods and not on companies, it can exempt exports from the tax and impose the tax on imports. It is thus "trade neutral." It ensures that exports can compete in foreign markets and that imports do not have an unfair advantage in do-

mestic markets. The tax has also been designed for ease of administration.

The proposed funding approach does not rely on funds from general revenue. Although the societal nature of the Superfund problem would seem to justify a major contribution from general revenue, the severity of the current national debt simply prevents this approach.

This bill does not include a waste-end tax. Earlier this year, Representative JACK FIELDS and I cosponsored a reasonable and equitable waste-end proposal that would permit an alternate dry weight calculation. The Senate Finance Committee considered an identical bill. Although I am convinced that any fair waste-end tax must include the dry weight option, it does have a number of disadvantages relative to the manufacturing excise tax. The administration's waste-end provision, which would have had a devastating impact on the chemical and petroleum industries, clearly demonstrates the potential abuses of the waste-end concept. After obtaining considerable input through congressional hearings and from meetings with the EPA and with various companies, I now believe that any waste-end tax involves revenue uncertainties and will, without doubt, introduce many complexities into the Tax Code. Waste-end taxes would be applied only to domestically produced chemicals, thereby penalizing exports and unfairly subsidizing imports. Waste-end taxes would predominantly impact the chemical and petroleum industries—the same two industries that already pay the feedstock taxes. And last, considering the stringent RCRA amendments approved by Congress in 1984, I now seriously doubt the need for an overlay of waste-end taxes to further discourage land disposal of wastes.

Mr. Speaker, my bill provides a fair and reliable long-term funding approach for an expanded Superfund. The soundness of this approach is underscored by the fact that it was included as one of the elements in the bill overwhelmingly reported by the Senate Finance Committee. I urge that this approach be adopted in the House of Representatives.●

#### FOREIGN AID AUTHORIZATION BILL

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. DAVIS. Mr. Speaker, my constituents often ask me a question that I cannot answer: "Why are we cutting millions of dollars from important domestic programs and at the same time sending millions of foreign aid dol-

lars to less-than-friendly countries throughout the world?"

It does not make any sense to my constituents, and it does not make any sense to me.

Today we have an opportunity to do something about this unfortunate lack of priorities. Congressman BOB SMITH of Oregon is offering an amendment to the foreign aid authorization bill that would restrict American foreign aid only to those nations that have supported us in the international arena. In simple terms, we would stop sending millions of dollars to countries that consistently vote against us in the United Nations General Assembly. The only exception is that we would continue to send humanitarian aid or food-related aid where necessary.

Using Egypt as an illustration, last year we sent this country \$2 billion—despite the fact that Egypt voted against us seven out of every eight times at the United Nations. That simply does not add up.

Nearly every other nation in the world expects at least some reciprocity for its foreign assistance, and America should be no different. This amendment will save tax dollars and send a clear message to the world.●

#### DESIGNER DRUG ENFORCEMENT ACT OF 1985

HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. LUNGREN. Mr. Speaker, today, I have introduced legislation to address a growing problem in the illicit drug market concerning synthetic substances that have come to be known as designer drugs.

These drugs first appeared on the west coast and now threaten to lead to a new era of drug abuse throughout the Nation. They result from the chemical alteration of well-known substances in order to produce analogs of controlled substances that are not covered by the Controlled Substances Act. Through the slight arrangement of molecules, the underground chemist can design a new drug that lies beyond the scope of Federal sanction.

Since a form of synthetic heroin first hit the streets in 1979, over 90 individuals have been killed by this type of drug. Equally, as serious, are the frightening side effects which are unique to designer drugs. Reports of tremors and lost mobility have led experts to believe that some of these drugs are destroying nerve cells and in effect inducing Parkinson's disease.

In the past, efforts by the Drug Enforcement Administration to halt production of suspicious chemical compounds were frustrated by the drug scheduling process outlined in the

Controlled Substances Act. The Drug Enforcement Administration has faced delays of up to 1½ years in placing substances on the CSA schedule.

However, the adoption of the Crime Control Act of 1984 at the close of last Congress provided the Department of Justice with a new weapon to address the problem of designer drugs. Under the new law, the Attorney General has the authority to schedule a drug on an emergency basis—after a 30-day public comment period in the Federal Register—for up to 1 year if it is determined that such scheduling is necessary to avoid an imminent hazard to public safety. This emergency placement is a completely separate action from the normal administrative process and will in no way interfere with parallel procedures regarding the permanent scheduling of designer drugs.

In the last 4 months, DEA has used this authority against the most dangerous and highly abused designer drugs which have been identified to date. On April 25, 1985, the DEA placed the heroin substitute 3-methylfentanyl on the CSA schedule on an emergency basis. The drug MDMA was added to the schedule on July 1, 1985. Finally, just yesterday Acting Drug Enforcement Administrator, John Lawn, signed an order to place two additional drugs MPPP and PEPAP on the drug schedule after the 30-day comment period.

Since emergency scheduling has worked well it might be queried why there is a need for further legislation? The need for further action arises from the fact that a case cannot be prosecuted until the substance is controlled by the emergency schedule. It is only after the new form of drug is discovered, analyzed, and placed under emergency control that there is any threat of criminal liability. In the interim, the drug trafficker is not violating the Controlled Substances Act.

It is this loophole, the time lag between the production of these new designer drugs and their subsequent control under the Controlled Substances Act, that the legislation is intended to close. It does this by focusing on the manufacturing and distributing of these designer drugs. It does not focus on the substances themselves because they can be readily modified and the theoretical number of these drugs is infinite.

Specifically, the proposal adds new section 403A to the Controlled Substances Act—21 U.S.C. 843A—to make it unlawful to manufacture with the intent to distribute, to possess with the intent to distribute, or to distribute a dangerous class of substances known as designer drugs intended for human consumption unless such action is in conformance with section 505 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 355, regarding new drug approval.

The term "designer drug" is defined for purposes of the proposed provision to mean a substance other than a controlled substance that has a chemical structure substantially similar to that of a controlled substance in schedule I or II or that was specifically designed to produce an effect substantially similar to that of a controlled substance in schedule I or II.

The focus of this proposal is clearly to impact on the designer drug phenomena by making it illegal for these clandestine chemists to manufacture and distribute these substances. In development of the proposed statute every care was taken to assure that the proposed legislation would impact only on the undesirable activity and not on legitimate manufacture and research. The proposal, unlike one that would focus on the drugs themselves, does not set up a regulatory or administrative framework with which legitimate industry and researchers would have to comply. It places no additional burdens on anyone legitimately involved with these types of substances. Legitimate activity regarding new drugs is protected by the exemption for manufacturing or distribution of a substance in conformance with the new drug approval provision of the Federal Food, Drug, and Cosmetic Act. Early-stage clinical research activity is protected by reference to the exemption from the new drug approval requirement for investigational use. Also, nonclinical research and industrial applications would not be affected since they are not intended for human consumption.

Additional protection for legitimate activity and a clear statement of the focus of the proposal are both afforded by the definition of "designer drug." The term "designer drug" is defined to mean a substance other than a controlled substance—defined in 21 U.S.C. 802(6)—that has a chemical structure substantially similar to that of a controlled substance in schedule I or II or that was specifically designed to produce an effect substantially similar to a controlled substance in schedule I or II. The definition also provides examples of chemical classes in which designer drugs are found. The definition requires that there be a substantial degree of similarity in order for a substance to be considered a designer drug. Moreover, if the substance falls within the purview of the definition because of its effect, rather than its chemical structure, the substance must have been specifically designed to produce such an effect. Thus, for example, although caffeine may produce effects which resemble those produced by certain controlled substances, the similarity is not so significant as to bring caffeine within the purview of the definition of "designer drug;" nor would its design meet the effect requirements of the definition.

Similarly, this proposal is not intended to cover alcoholic beverages, tobacco products, aspirin, or other legitimate consumer products.

Some additional technical provisions involve the clarification, for purposes of this proposal, of the applicability of the new-drug approval process of the Food, Drug, and Cosmetic Act and the establishment of a definition for the term "human consumption." The proposal clarifies that, for purposes of the proposed provision, the new-drug approval process of the Food, Drug, and Cosmetic Act applies irrespective of whether there is an intent to introduce the substance into interstate commerce. Thus, the broad scope of the Controlled Substances Act—which does not require an interstate commerce nexus—applies to the proposed exemption, as well as to the proposed offense.

The approach taken by this bill provides for an effective and, most importantly, an immediate law enforcement response to the manufacture and distribution of designer drugs. No longer will individuals be able to circumvent the Controlled Substances Act through skillful manipulation of the chemical structure of potent and dangerous drugs. It makes it a crime punishable by imprisonment for up to 15 years and a fine of up to \$250,000 to manufacture with the intent to distribute a designer drug intended for human consumption. This is done without placing additional burdens on legitimate industry and without restricting legitimate research.

I am pleased that my colleagues, Messrs. FISH, McCOLLUM, and GEKAS have joined with me today in introducing the Designer Drug Enforcement Act of 1985. I would like to invite all Members of this body to do so as well. We must make a concerted, bipartisan effort to stop the spread of this threat to our society.●

#### ENERGY PLENTY IS NOT GOING TO LAST

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mrs. LLOYD. Mr. Speaker, the warning, "Energy plenty is not going to last," may sound silly to some people, especially during this period in which there is much talk of an oil glut. However, I believe that there are strong indications that the present, so-called glut will end in the nineties—perhaps even in the early nineties. These indications include recently reported statistics on U.S. liquid fuel imports as well as projections of increased energy demand.

Allen E. Murray, who is president of the Mobil Corp., wrote in the June 10,

1985 "My Turn" editorial column of Newsweek, that it is his belief that we have enough energy supplies for the moment, but that this time of "energy plenty" will not last. He also warns, "We're seeing patterns like those that led to the 1973-74 and 1979-80 energy crises \* \* \*". Among the patterns Mr. Murray mentions is the fact that U.S. crude oil and product imports rose 8 percent last year. This means that about one-third of our oil supplies now comes from abroad while the prospects for domestic offshore oil and gas finds is lacking. The interesting observation associated with these figures is that the import ratio is the same value as before the 1973-74 energy crisis.

Mr. Speaker, when this trend is viewed in the perspective of increasing domestic energy demand, it makes me acutely aware that we, as U.S. policymakers, along with industry leaders, should be thinking seriously about beginning to develop plans and policies to deal with a future energy crisis or a number of smaller supply disruptions. But, as most of my colleagues know, soft oil prices and the temporary glut have all but paralyzed such planning for now. Moreover, considerable efforts are being devoted to killing a Synthetic Fuels Program that supposedly isn't necessary anymore and purportedly costs too much besides. I would remind my colleagues that soft oil prices actually increase the need for Federal involvement in synfuels by removing private sector market investors. Also, the near-term savings in deficit reduction from terminating the SFC Program are illusory since outlays would not be significant until 1989 and beyond. It is troublesome to see the myopia which characterizes certain approaches to electric utility planning and growth as well.

Mr. Murray's editorial further outlines various approaches that might be taken on planning for another energy crisis. I would like to submit this thought-provoking article for the consideration of my colleagues.

The article follows:

[From Newsweek, June 10, 1985]

#### THE IMPENDING ENERGY CRISIS

(By Allen E. Murray)

Whenever I warn people that another energy crisis is on the way, I draw raised eyebrows and skeptical sneers.

"We thought we were through with those things," my friends hoot. "Don't we have oil and gas running out of our ears? And plenty of electricity?"

My answer is, "Yes, for the moment," but I also add this warning: energy plenty is not going to last.

I'm saying this loud and clear to anyone who will listen because I never again want to go through another day like Jan. 23, 1974. That was when I sat embarrassed and angry in a Washington hearing room while the late Sen. Henry Jackson waved a finger at me and other petroleum executives. He demanded to know whether the energy crisis that had begun the previous year was

real or some kind of oil-industry concoction to raise prices.

It was real, but many times since, I wished I'd had the presence of mind to add: "But Senator, it need never have happened. In the three years before the 1973-74 energy crisis, we began warning of impending shortages, urging more reliance on mass transit, more domestic petroleum development and the creation of a national-energy policy. But no one wanted to hear it."

The trouble is, Congress—like all of us—tends to be complacent until crisis fires the adrenaline. Unfortunately, government's worst decisions in energy, like its ill-fated fuel-allocation program and the billions wasted on crash alternative-energy schemes, have been those responding to crisis. Sound energy decisions that avert crisis usually come in quiet times like these.

So let me say it once again, louder:

We're headed for another round of energy shortages. Certainly by the end of this century. Possibly well before that.

Planning: If a crisis even that close seems nonthreatening, remember what most people often forget: lead times in energy require very long-range planning and investment. Even when we're successful in finding a new oil or gas field, putting it into production can take five to eight years. Bringing a nuclear power plant from drawing board to start-up can often take more than a decade.

So once more, still louder:

We're seeing patterns like those that led to the 1973-74 and 1979-80 energy crises:

In 9 of the past 10 years, the United States used more natural gas than was found in this country.

After dropping for four years, U.S. crude oil and product imports rose 8 percent last year, reflecting revived domestic consumption that exceeded domestic production. Approximately one-third of our oil supplies now comes from abroad, the same level as before the 1973-74 energy crisis.

U.S. energy demand is conservatively estimated to be 20 to 25 percent higher by the year 2000 than it is today. In the petroleum industry that will require finding considerably more oil and gas than we use up each year, which will be possible only with a very high level of investment.

Granted, the situation is not critical now, and there are emerging plus factors that will reduce the severity of future shortages: oil-refining capacity that's more than adequate; approximately 460 million barrels of oil in the Strategic Petroleum Reserve; increased availability of oil and gas from non-OPEC areas like Canada, Mexico and the North Sea, and enough electricity-generating capacity in place or being built to meet immediately foreseeable needs. But that is my very point: today's relative quiet gives us a magnificent opportunity to plan energy development in a noncrisis atmosphere.

Now is the time for government, industry and the concerned public to develop without panic those policies that will resolve future energy needs fairly and practically, responsive both to the public interest and to sound business judgment. And like the effort to revamp the tax structure, new conceptual ground may need to be broken.

How, for example, can we best halt, or at least slow, the decline in U.S. reserves of oil and natural gas—down some 20 percent in the past decade and a half?

Are there significant additional ways to conserve more fuel, or has this avenue been pretty well exhausted?

Could there be a more orderly, environmentally protected, less costly method of

finding and using the oil and gas on public lands?

Might the time be ripe for a concerted government effort to restore the credibility of nuclear power plants and reduce the construction time, now that we have better inspections, improved training of operators and other new safety measures resulting from the Three Mile Island investigation?

Taxes: Last and most important should we not look at taxes on energy? Energy producers shouldn't be discriminated against; the arguments for tax incentives to find and produce energy are as strong as those for incentives to do research. Given the difficult times in which the oil industry currently finds itself, can we still justify taxes on so-called windfall profits that apply only to this industry? Is it fair that a special levy on crude oil should finance the clean-up of pollution created by nonoil companies? The effect of taxation on future energy security should concern us all.

With enough thoughtful attention to energy now, the crisis I'm predicting need never happen—at least not as severely as before. ●

### ARKANSAS ATTORNEYS VIEW THE SOVIET UNION

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. ALEXANDER. Mr. Speaker, two Jonesboro, AR, lawyers recently joined 20 other American lawyers for a visit to the Soviet Union. Following this trip, Bill and Marian Penix, through a lengthy article published in the Jonesboro Sun, shared with Arkansans some of their experience, reactions, and views.

I believe that comments of the Penixes will be of interest to my colleagues and request that this article be included in the CONGRESSIONAL RECORD.

[From the Jonesboro (AR) Sun]

VAST NATION OBSERVED—2 JONESBORO ATTORNEYS VISIT THE SOVIET UNION

(EDITOR'S NOTE.—Jonesboro attorneys Bill and Marian Penix, who wrote the following article, recently returned from a trip to the Soviet Union.)

The Soviet bus driver hurried in the early evening to get us from the Minsk airport to the capitol of the Byelorussian Republic. An approaching vehicle blinked its lights three times. We asked our Intourist interpreter if, by chance, a speed cop was hiding ahead with radar. Yes, even without fuzzbusters and CB equipment, Soviet motorists, like Americans, have united to thwart the long arm of the law on the highways.

Twenty-two American lawyers, most accompanied by spouses, had just finished five days in Moscow of Russia, the largest republic in the Soviet Union, and were heading south. Seven lawyers were from Arkansas, including Maurice Cathey of Paragould and both of us. The others were from Oklahoma, Missouri, Kansas, Louisiana and California.

In Moscow, Minsk, Kiev and Leningrad we met with Soviet lawyers and judges to discuss the Soviet legal system. Without trou-

bling the layman beyond this, we believe it fair to say the "procurator" (apparently the prosecutor) in the Soviet dominates the court. Stalin secured his power in the mid-'30s with the help of prosecutors who settled his problems with the kulaks, old Bolsheviks and military officers. The system is much more refined today. There have been no purges in recent years. Yet the system is built around the procurator. One after another Soviet lawyer and judge told us in apparent sincerity that crime simply could be abolished in the USSR if the problem of alcoholism could be eliminated. Drinking is a problem for them. However, we doubted alcohol is the root of all evil—just some of it.

Marian, the feminist, commented to the president of the Moscow bar that she was happy to see that so many Russian lawyers and judges were women. His reply: "Yes, they just about took over while we were off fighting in 1941-45, and there are too many of them." Marian commented later that male chauvinism knows no national boundaries.

The Soviets are second to none in the arts. The opera in Minsk was "Madam Butterfly" with the words translated into Russian with musical skill. The ballet in Leningrad was "Antony and Cleopatra" by a modern Soviet composer. Both the opera and ballet had large and accomplished orchestras. Every large city has a "Bolshoi" theater. The Bolshoi is "the largest," as in "Bolshevik," the largest political party.

Folk dancing in Kiev, capital of the Ukraine, was with dazzling costumes and brilliant performances. Even the circus in Moscow took our breath with performances of bears and—of all things—common house cats. Those of you who have problems teaching your cat to use a little box should see cats jump and perform in Russia.

The arts and most of the necessities of life are available at acceptable prices. The Metro (subway) in Moscow, Minsk, Kiev and Leningrad can be ridden all day for five kopeck. A kopeck is a hundredth of a ruble, which is \$1.17 by Soviet regulations. A cup of coffee costs 21 kopeck. If you have your own American instant coffee, the cup of boiling water, cream and sugar is free. No Soviet will accept a tip. Bill had his hair washed and cut in Leningrad for three rubles. A Soviet school teacher makes about 350 rubles a month, and so does the doctor and the lawyer. Medical attention is free. An apartment in the above cities rents for about four rubles a month, and the utility bills may come to half of that. The average Soviet doesn't live anywhere near the class of the average American, but it's the best he's had in the long history of his nation.

The Soviets like to boast they have not had an unemployed person since 1932. There are no handouts for those who don't work. Even older people put in a few hours a week at menial jobs to augment their retirement checks. A Soviet traffic policeman sits in a little tower and by hand controls the red, yellow and green traffic lights in situations where we use electronic light-changing devices. The cities work hard to wash and keep their streets clean from the ravages of weather. There are always women with little brooms and scoops helping in the streets.

They also insist they have eliminated illiteracy. One of the American wives supervises a kindergarten or pre-school program in the states. She asked one night at dinner in Kiev for the opportunity to see a kindergarten. At the school of five-year olds, boys and girls skillfully performed waltzes and minu-

ets. They even broke and forced one of us—of the opposite sex—to dance a number with one of them. At the end they sang a song which our interpreter told us was a musical prayer that we not end their lives in a nuclear winter. We thought of our five-year-old granddaughter and her dance classes where each child primarily does his or her "own thing."

Everywhere we went we saw monuments and reminders of the "Great Patriotic War of 1941-45." Almost 21 million Soviets gave their lives fighting the Nazis. The Soviets are careful to distinguish between a German and a "Nazi" or "Hitlerite." The Soviet says the Germans were duped by Hitler. Of course, this helps in relations with East Germany.

The Nazis took to the Soviets a Holocaust that ended almost four times as many lives as the Jewish Holocaust. There is a sobering museum in Minsk, a city which was 85 percent destroyed by the Nazis. In it are pictures of the Hitlerites hanging 14-year-olds, male and female. In Kiev the German commander was told to destroy the population and provide the Ukraine as a fertile "lebensraum" (living room) for the Germans. He managed to kill half of the population.

Our hotel in Leningrad was on the beach of the Gulf of Finland, a part of the Baltic. It was still frozen so hard Sunday, April 14, that Bill ran a mile and a half out to sea and back without danger.

Yes, the Soviet stores have long, but apparently patient lines. But, they also queue up for a chance to see a museum or ancient cathedral. They never seemed to mind the fact that we were ushered in ahead of them.

The Soviet Union, for all of its atheism, is proud to restore and preserve the beautiful churches and the gaudy palaces of the hated Tsars. They want to prove their heritage. Although history allows one to refer to one Tsar as either "Ivan the Terrible" or "Ivan the Great," the Soviet prefers "the Great." Yet, one of these monsters ordered his soldiers to slaughter men, women and children on "Bloody Sunday," Jan. 22, 1905. These people were peacefully approaching the winter palace in St. Petersburg (now Leningrad) to "petition" the tsar. This was a memorable episode in Pasternak's "Dr. Zhivago," a book which somehow conflicts with party policy and is frowned upon today. Yet, when it came out it caused both of us to have more understanding and compassion for the people of the USSR. We discussed this with several Russians and they had no clear reason for "Dr. Zhivago's" rejection in the Soviet.

Many Soviet cities have a "kremlin," or a fort. But, the world knows only the one in Moscow adjacent to Red Square, along with Lenin's tomb, the Gum department store and St. Basil's cathedral and all of its colorful upside-down onions for spires.

We toured the Kremlin walls. We stood at Lenin's tomb, closed because of repair work on Lenin's body. Beside the tomb were statues and tombstones of Stalin and others since him. Missing only was Nikita Khrushchev. On a tip from a Russian, Bill located Khrushchev's grave at the Novodevichy Monastery cemetery miles from the Kremlin. Bill and Joe Milner of Shreveport got into the cemetery and were preparing to photograph the grave when a soldier ordered them away. Only mourning relatives are admitted to Soviet cemeteries. Bill and Joe returned to the group with the humorous observation that "we" had ended up burying Khrushchev.

Outside the Kremlin walls lies the eternal flame on the grave of the Soviet Unknown

Soldier of the 1941-45 war. There is a custom in Moscow for a new husband and bride, upon leaving a "marriage palace," to go to the Unknown Soldier's grave and place the bridal flowers on the grave. We watched a young couple perform this very solemnly.

Soviet society is straight-laced. No women appear in skimpy or suggestive clothing (it's too cold), there is no pornography.

We have referred to "Soviets" because after all, Russia is only one of the republics. And, there are a lot of regional feelings. The dearest young Soviet we came to know grew up down South in the Ukraine. He fell in love with a Northern girl from Russia. His family refused to accept the Northern girl and he had to move to Russia.

Most Soviets are slaves. They know they are looked down on as a people. Their subrace gave our language the word, "slave." For all history they have been mistreated by other countries and their own rulers. Their longest peace in modern times has been from 1945 to the present. They are grateful to us for the weapons we sent in their hard times early in 1941 and '42. But, they know that the victory over Germany primarily was theirs. The 9,600 artillery pieces we and Britain sent them only two percent of the 446,000 they produced themselves. Our 18,700 planes were 12 percent of their production and the tanks we sent were 10 percent. Piskariovskoye Memorial Cemetery in Leningrad has more than twice as many bodies in common graves as all of the Americans who died in all of World War II.

All of the Soviet Union is preparing to celebrate the 40th anniversary of the end of the Great War. Prominently displayed in many places are photos of the 1945 American-Soviet meeting on Elba River. They seem proud to have done common cause with us in the war. They revere the memory of Franklin Roosevelt. They pray some of us will show up for the great celebration.

The Soviet has many, many men under arms. It is almost impossible to look any direction in any city in daytime without seeing a soldier.

The Soviets have known war, death and destruction. Maybe they were instructed to put on an act for us, displaying great fear of nuclear war. But, we believed it was real. It's arrogant to conclude anything about a people in only two weeks. But, we believe the Soviets are terrified there will be an atomic war and that it will force our countries to neglect other pressing needs. The Soviets may be almost bankrupt from the strain of armaments upon their economic system. Even our own "robust" capitalism sinks deeper into debt and postpones attention to other problems.

We left the Soviet Union feeling more patience for them and their excesses. After all, we understand Israel's Six Day War and their problems with the West Bank. The Jews went through a Holocaust. Well, so did the Soviets.

We cannot close without some mention of V.I. Lenin, whose likeness is everywhere. He was the father of the Soviet Union. It probably would never have jelled without Lenin, his genius, fantastic energy and drive. He worked himself into an early stroke and died, partially paralyzed, in 1924.

Had not the Tsar hanged Lenin's older brother in 1877, Lenin, who later became a lawyer, probably would never have gone into politics. And, most assuredly, there would never have been the Soviet Union. Look around in the Soviet and you'll realize by the reverence with which his memory,

even his body, is preserved, that Lenin was the difference.

The Soviets believe—and we agree—that he was the only man who could have pulled the system together. ●

#### EXPANDED CAPITAL OWNERSHIP AND THE IDEOLOGICAL HIGH GROUND

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. CRANE. Mr. Speaker, today I am including another segment of a series of discussions on the concept of expanded capital ownership. Today's material is the conclusion of yesterday's article, entitled "A Strategy for Peace Through Justice," by Dr. Faruq Abdul Haqq. Dr. Haqq is an attorney who has specialized for 30 years on international investment and global economic forecasting. I hope my colleagues will take a few moments to read the second half of Dr. Haqq's comments.

The article follows:

##### A STRATEGY FOR PEACE THROUGH JUSTICE (By Faruq Abdul Haqq)

##### 2. HUMAN RIGHTS: THE ESSENCE OF JUSTICE

In following the teachings of the Qur'an and the example of the great Muslim spiritual leaders, Muslims have always emphasized that peace is a product not merely of love but of absolute justice. And what is this?

The Communists call for justice, but they have perverted it into a codeword for religious oppression by trying to force every person to worship the false God of secular collectivism.

In Islam, justice is nothing other than God's plan for the universe. "The Word of the Lord finds its fulfillment in truth and in justice" Sura 6:114.

In Islamic jurisprudence, justice is essentially the practice of human rights, or *Duriyyah*, which is one of the three branches of the *Shari'a* or Islamic law, the others being *Tahsiniiyyah* or personal ethics and *Hajjiyyah* or pragmatics.

Social justice is the right ordering of human institutions so that community life at all levels from the village to the global level will best facilitate the dignity of the individual person. This requires responsiveness of the government to the individual citizens in accordance with the principle of subsidiarity. This principle of social order is implemented through whatever institutionalized forms of binding consultation or *Shura* most effectively achieve consensus or *Ijma* in the general polity of the given culture, thereby subordinating government to the higher sovereignty of the individual person, who in turn is responsible to the highest and absolute sovereignty of God.

This right ordering of society requires an independent judiciary as part of the Islamic system of checks and balances. And it assumes every citizen's right in extremis of revolution against an unjust ruler. The Prophet Muhammad, *sala Allahu 'alaihi wa Salam*, in a famous Hadith, emphasized that whoever submits willingly to a tyrant shares his guilt. This suggests that revolution, as understood very well by the American colo-

nists, can be not merely a right but an obligation.

Especially important in Islamic teachings on human rights is economic justice. During the past decade, hundreds of books and conferences have focused on this Islamic right and duty. All Muslims reject the evils of Manchesterian capitalism, which reduced the human person to the status of a machine and turned him into a slave of the machine's owners. Many modernist, i.e. Westernized, Muslims resort to collectivist socialism as the only alternative, sometimes dressed up in Islamic rhetoric.

Increasingly, however, especially in the United States, traditionalist Muslims are re-emphasizing the human right of equal access to productive property.

Economic justice in capital-intensive economies requires broad ownership of the means of production in order to assure that no person receives more than he has earned with his own talents and tools, and in order to assure every person a right to the increase in value that he creates through his own talents, efforts, and risk-taking faith and entrepreneurship in processing the natural resources created by God equally for all men.

This equal access to ownership requires equal access to credit, which is being pioneered in several Muslim countries. In the United States, this right of equal access is being introduced through a new financing technique known as the ESOP (Employee Stock Ownership Plan). The percentage of worker-owners in American industry has grown within the past decade to 11 percent of the work force and should soon surpass the percentage of labor union members, which has shrunk from 35 percent to 15 percent.

This technique of expanding capital ownership is particularly efficient when the suppliers of capital make a temporary investment in the producing firm, rather than merely lending money to it, so they can earn their profits from preferred stock dividends. These are paid only out of the firm's profits, as a fixed percentage but in unlimited amounts depending on the profitability of the firm. This maximizes the efficiency of resource allocation generally in society and is more just than the wealth-concentrating technique of lending at fixed rates of interest, which loads the risk on the users of capital rather than allocating both risk and gain equally among capital users and suppliers in accordance with their agreed contribution to the productive enterprise.

This strategy, developed jointly by Christians, Muslims, and Jews, to secure the human right of productive private property is described in a ten-part series, entitled "A Strategy for Social Justice Through Expanded Capital Ownership," which is to be inserted in the CONGRESSIONAL RECORD beginning yesterday, June 3, 1985, and may be published by the Center for Economic and Social Justice later this summer.

Therefore, in accordance with the Islamic principles of human rights, economic justice may be defined as equality of opportunity for every person to secure his personal sovereignty and dignity by creating material wealth, in fulfillment of God's commandment to cast our bread on the waters and multiply the bounties of the earth.

The result of following these moral injunctions should be rapid and steady economic growth based on a partnership between the employees and their machines. This avoids the need for intrusive governmental power to confiscate existing wealth

for redistribution to the propertyless "wage-slaves," because it provides distributive justice during the productive process. This, in turn, elevates personal charity, which is one of the five pillars of Islam, to its proper role as the primary means to help the remaining needy.

Expanded capital ownership produces domestic peace by eliminating the inherent conflict between man and machine, and between the propertyless and the owners. And it produces international peace to the extent that the same principles of shared ownership and gain-share finance are applied among nations.

##### 3. THE ULTIMATE STRATEGY: PERSONAL LEADERSHIP

More important, however, than all the structural changes we can ever devise in politics and economics to secure our lives, liberties, and dignity are the changes required in the individual person. In the oft-quoted words of the Qur'an al Karim (Sura 13:11), "God will not change the condition of a people until they have changed what is in their hearts."

The core of human liberty and dignity, and of leadership and of every other virtue, is freedom of religion, supported by freedom of education under parental responsibility. Freedom of worship and to act on the basis of our religion is emphasized again and again throughout the Qur'an, because God created us with free will so we can "test each other" by our failings, compete in doing good, and thereby choose our own future both on earth and in heaven.

The universal teachings of Islam, based on the Qur'an and on the models of Muslim spiritual leaders right up to the modern day, as well as the most fundamental teachings of every traditional religion, emphasize that peace is not merely the absence of conflict, which by itself has little meaning, and that human rights are not merely the anarchic or libertarian absence of external constraints, divorced from our obligations to God and therefore to ourselves and to our fellowmen. Rather, peace and justice are the result of personal effort first to change ourselves by being open to God. This is the key to changing the world.

Without genuine guidance of the person from God, the pursuit of morality or improvement in society can degenerate into the imposition of one's own selfish and narrow view of right and wrong on others. Unfortunately, this totalitarian mentality is evident everywhere today. It is based on the worst sin of all, arrogance, which can lead a person to create a false self and to worship it as a substitute God.

The objective of every religion must be to restore God to leadership as the directing force in the life of every person and every nation. But the other person and the other nation can be free to accept God's guidance and power only if one does not try to impose one's own power. The aim of the spiritual person is not to make other people do what he or she wants but what God wants. And only God can tell each person what this is, because God created each person with a unique destiny known only to God and by each person to the extent that he listens to God's guidance. In the words of the modern Christian mystic, Thomas Merton, "Since God alone possesses the secret of my identity, He alone can make me who I am." This is true for every community as well as for every person.

Our task is to translate spiritual understanding into positive action in every cir-

cumstance of life. All the great religions have certain techniques to achieve enlightenment and certain standards to check every thought from God to assure that selfish desires are not merely masquerading in the guise of altruism.

The best technique, common to all religions, for ever person to start the process of change in the world is to approach every day and every problem during the day with a period of quiet, if only for a few seconds, so one can let one's own preconceived ideas drop out of view and let God replace them with His own. And then one can test the ideas that emerge by checking them against certain standards of honesty, purity, selflessness, and love.

A second test is to lay the thought before one or more of those who discipline their lives in some similar way and whose judgement one trusts. Experience suggests that any program of action a person is not prepared to abandon or modify on the mature advice of such friends is a program so flawed by self-will that it cannot possibly come from God and therefore will not lead to productive change.

A third test, which is necessarily *ex post facto*, but decisive, is to evaluate the practical results that have followed action. "By their fruits ye shall know them" is a universal teaching.

The most important test for any person, according to Islamic teaching, is his knowledge of and sensitivity to the spiritual wisdom of his own people. Revelation to the Prophet Muhammad, *sala Allahu 'alaihi wa Salam*, emphasized that "Nothing is said to you that has not been said to other apostles before you" (Sura 41:43). . . . "We gave Moses the Scriptures and knowledge of right and wrong, so that you might be rightly guided" (Sura 2:53). . . . "After those prophets We sent forth Jesus, the son of Mary, confirming the Torah already revealed, and gave him the Gospel, in which there is guidance and light" (Sura 5:49).

When Gandhi said that he is a Christian, a Jew, a Muslim, a Buddhist, and a Hindu, he was merely voicing the truth that no man can be sure he is guided by God unless his wisdom grows out of the centuries-long winning process of a great religious tradition designed to make tangible the internal truth that always emerges in men's selfless communion with God.

Today, as you complete one important phase in your life and start another, I would urge you to contemplate the deepest wisdom of all the major religions. They all teach that the basic conflict in the world is not between rival institutions and nations, or even between rival ideas, but between rival wills, the will of men and the will of God. The ultimate power is the will of God working through the individual person who loves Him. It expresses itself in leadership, because leadership is the inescapable lot of the fully committed. You are all called to leadership, if you only knew it.

And whenever you falter in providing the leadership the world needs from you, remember the words of the Norwegian freedom fighter and leader of Moral Rearmament, Leif Hovelsen, who is here in Washington today. In his book, *Out of the Evil Night*, he relates how he learned during 4 years of successful efforts to maintain his dignity, independence, and leadership within Nazi concentration camps that "when man listens, God speaks, and when men obey, God acts." ●

## REMARKS OF JOHN D. DINGELL TO THE 1985 AMERICAN BAR ASSOCIATION ANNUAL MEETING

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SWIFT. Mr. Speaker, as a member of the Subcommittee on Telecommunications, Consumer Protection and Finance, I have spent a considerable amount of time on proposals to allow competition in the international satellite communications market. My efforts have focused on ensuring that any policy changes made in this area do not unravel an international telecommunications structure that has served both U.S. and foreign policy interests well for two decades.

Earlier this week, our distinguished full committee chairman, Congressman JOHN DINGELL, delivered a speech on this topic at the annual meeting of the American Bar Association held here in Washington, DC. I urge my colleagues to review Chairman DINGELL's speech, as it provides an excellent roadmap to the policy the United States would be pursuing in this area as well as what policies the Congress should adopt. I include a copy of Chairman DINGELL's speech in the RECORD at this point.

### REMARKS OF JOHN D. DINGELL TO THE 1985 AMERICAN BAR ASSOCIATION ANNUAL MEETING

Thank you for allowing me to be here with you today to discuss some of the issues raised by the emerging trend toward competition in the provision of international communications services.

Many of you may already know that I am not hostile to the development of competition in this area. I said in a letter to Mark Fowler on June 15, 1984 that the pending applications to construct and operate international satellite systems separate from INTELSAT "promise all the advantages of competition—more rapid technological innovation, lower prices and more flexible provision of specialized services." I should also mention that the new competition should be fair, for without that there is also the potential for rascality and disregard of the national and public interest.

In a letter to Comsat on July 30, 1984 I stated that "if new systems could be shown to have significant benefits on balance for U.S. interests, then I would be favorably inclined."

Since then there have been several developments:

A total of 5 U.S. satellite firms now seek to enter the North Atlantic market.

The Commission has announced that it is not accepting any further satellite applications.

Two applications to construct private transatlantic cables have been approved by the Commission.

The Reagan administration has strongly backed new satellite entrants, assessing that they will not harm INTELSAT if they are suitably restricted.

A series of hearings has been held in the House Energy and Commerce Committee and the Foreign Affairs Committee.

The House-passed State Department Authorization bill and the House report accompanying the 1985 Supplemental Appropriations bill contain certain measures that significantly improve the Reagan Administration's approach.

The additions to the Reagan Administration's plan incorporated in the House-passed legislation address two main concerns: one is pricing flexibility for INTELSAT so that all U.S. customers will benefit from any new competition; the other is effective enforcement of restrictions on the new systems. To accomplish the first goal the House requires the United States to actively support an appropriate modification of the INTELSAT agreement in order to permit INTELSAT to establish cost-based rates for individual traffic routes such as the North Atlantic. To accomplish the second goal the House directs the FCC not to grant final construction permits or launch and operating authority to any new satellite entrant until the FCC has established by rule both a suitable restriction on the activities of such systems and a mechanism to enforce this restriction. The restriction contemplated is the one proposed by the President—that the new systems be prohibited from offering (1) any telecommunications service other than the sale or long term lease of transponders or (2) any service which connects to the domestic public switched message network in the U.S. or a foreign country.

In imposing these restrictions, no distrust is intended. I remember my father's admonition, "Trust everyone, but cut the cards."

INTELSAT needs pricing flexibility because the new systems will divert some existing traffic and growth traffic from the INTELSAT system. With the global averaging required by the INTELSAT Agreement, this could mean higher rates for all INTELSAT users, including the residential and business customers in the U.S. who have no need to lease or buy a satellite transponder to satisfy their international communications needs. Pricing flexibility would allow INTELSAT to adjust its North Atlantic rates to bring some of the benefits of the new competition to these U.S. customers. At the same time, this flexibility would limit the potential traffic diversion, thereby allowing smaller rate increases in lower density routes.

I observe the need for these matters to be dealt with by those with long, institutional memories. In the Congress, for instance, we recall the attempt to introduce competition in the North Atlantic air transport market. Every small country in the world, it seemed, wanted to enter this market, leading to destructive overcapacity.

Some have raised concerns about predatory pricing. I share those concerns and believe that INTELSAT's rates for any service should be set to recover all the costs of providing that service. I also favor release of cost data to the FCC and other responsible government agencies so that INTELSAT can be held accountable for providing cost-based rates.

As the Administration has noted, the need to impose and enforce restrictions on new systems is derived from the U.S. long-term interest in a viable INTELSAT. I must note, however, that virtually no one outside the Administration takes these restrictions seriously. For instance, at the recent Senior Level meeting of the North Atlantic Consultative Process the European representatives

expressed their view that if separate satellite systems were established they would ultimately be used for switched services. This view is widely shared in the industry.

The reasons for this pessimism with regard to the restriction are easy to explain. First, they are technologically hard to enforce; any company large enough to need a private satellite transponder will also have a private switch on its own premises—a PBX—that is hooked up to the public switched network. Using this private switch, traffic can easily be routed from the satellite transponder to the public network and vice versa in a fashion only the "bypass police" could detect. This "leaky PBX" problem is severe, but can be addressed by appropriate sanctions that give corporations an incentive to comply.

The more serious problem is "regulatory creep." What we discovered in the domestic market is that providing private-line data and voice service exclusively to large businesses is not a viable market. MCI and SBS both tried to make money in corporate communications. When corporate demand proved lower than expected, they both turned to residential consumers and small businesses.

The same events may well occur in the international market, and policymakers may face a choice of whether to let the fledgling competitors perish or allow them to diversify. Given the FCC's history in this area, it is not hard to predict what they are likely to decide. If the U.S. approves entry at all, the best we can expect is that the restrictions will be left in place long enough to allow existing carriers to prepare for full, across-the-board competition.

While these concerns related to flexible pricing and service limitations have been addressed by the House, there are additional questions concerning the Reagan Administration plan. One concerns the development of over-capacity in the North Atlantic route. Policymakers have to ask the question: what will the market look like if five alternative satellite systems, two private cable systems, the new generation of Intelsat satellites, and the next common carrier transatlantic cable systems, all become operational? Without even considering the likely response by European-based private systems, estimates by Abbott Washburn and others indicate an imbalance of supply over demand of 11 to 1.

Many observers confidently predict that Wall Street will not finance new cable and satellite ventures in such an inhospitable market. Maybe so. But what if they do? Many of you have learned in your Econ 101 classes about destructive competition: the prospect of supra-normal profits lures too many investors and entrepreneurs into a market resulting in a substantial amount of overbuilding and overcapacity; rate wars result in which no one in the industry can cover costs; the weakest competitors are driven from the market, thereby idling the excess capacity. I draw your attention again to the air transport example, and note that supply and demand do not operate normally when foreign governments can subsidize their entrants into the North Atlantic market. Can U.S. firms compete with government-subsidized foreign entrants?

We cannot look upon this result with equanimity. Orbital slots are scarce resources. U.S. needs for these slots are often in direct conflict with the needs of other countries. If we want to engage in destructive competition in the U.S. domestic telecommunications market, we only hurt our-

selves. If we take scarce orbital slots away from other countries, only to waste them in a frenzy of destructive competition, this hurts other countries, and in the long run could prevent us from reaching cooperative arrangements with other countries on a wide range of other international issues.

I am not confident that the FCC or our other U.S. communications policymakers have any plans to resolve the problems that could be caused by overcapacity. Indeed, once new systems are given U.S. regulatory approval the matter is largely out of government control.

I am partly reassured, however, by several developments in this area: first, the FCC has proposed new financial and operational requirements on U.S. domestic satellite operators, designed to reduce the amount of speculation in this market. This is all to the good; similar rules should now be extended to the new international satellite operators. Second, the FCC has halted further applications for international satellite systems—indicating that it is aware of the potential overcapacity problem and has no intention of handing out a license for international telecommunications services to any applicant who can file a petition at the Commission.

The other unresolved issue concerns the possibility that new international satellite entrants will buy needed approval from foreign telecommunications authorities by promising to procure satellites and launch facilities from these foreign sources. This type of unfair competition has arisen in other industries such as shipping. The monopoly power of these foreign telecommunications entities prevents competition from working in the procurement and launch markets. If new entrants are given U.S. approval, they must also demonstrate to the FCC that their procurement and launch decisions were reached after receiving foreign approval and were based solely upon price and quality considerations. Without this assurance, new competition in international satellite communications may cost us jobs for American workers, worsen our already deteriorating balance of trade, and cause us to lose ground in a high-tech industry where we are the acknowledged world leader.

In April of 1984 in response to my letter concerning these matters, then Special Trade Representative William Brock supported this position: "INTELSAT requires open competitive bidding for its contracts—a practice which has made U.S. aerospace companies the major supplier of INTELSAT satellites. Were the same principle of open competitive international bidding applied to the procurement of telecommunications equipment by the proposed private satellite service companies, we could expect similar results."

To assure that U.S. suppliers have fair opportunity to compete in this new market, the FCC should take necessary steps to impose open competitive bidding requirements upon any new entrants. Otherwise, foreign governments may condition the grant of operating authority on procurement quotas in the host countries.

Some argue that the FCC should not take the time to review the policy issues raised by these applications and to ensure open procurement practices by new entrants because other countries will move in ahead of us in this new market.

Other countries should not be allowed to do this. The FCC has full authority to deny spectrum allocations for any foreign satellite operator or U.S. affiliate seeking to pro-

vide private transatlantic services before our firms do so. I would expect them to use this authority during any necessary review of the pending U.S. applications.

The U.S. entrepreneurs who have forced the international communications community to react to the technological and market demands for change deserve the respect and praise of U.S. policymakers. Their activity reflects the vitality and ingenuity which the American system uniquely fosters. My intention is to work with all who have a stake in the development of this new market to ensure that any new competition brings benefits to all U.S. customers and companies.

Thank you for allowing me to share these thoughts with you today as we move forward into a more competitive international market. ●

#### DEATH PENALTY ENDORSED

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. McCOLLUM. Mr. Speaker, this morning's recorded vote by the House in favor of instructing conferees on the Department of Defense authorization bill to insist on the House position on the McCollum amendment relating to the creation of a peacetime espionage offense with a death penalty in the Uniform Code of Military Justice was more significant than just a vote on the specific issue. As framed by the debate that preceded the recorded vote, it clearly was a vote for or against the death penalty. Some members may have voted for the death penalty in this particular case who wouldn't in other situations, but any member who voted no must be against the death penalty under any circumstances. If you don't believe in the death penalty for treason by active duty military personnel, when do you believe in it?

Not only did the vote on the motion to instruct set apart those who are unalterably opposed to the death penalty under any circumstances, but it also demonstrated that an overwhelming majority of the House will support the reinstatement of a constitutionally valid death penalty for particularly heinous crimes. This demonstration of sentiment demands a response from the Judiciary Committee and House leadership allowing a floor vote in this Congress reinstating the death penalty for such heinous Federal crimes as the assassination of the President and other high-ranking Government officials, kidnaping, and espionage committed by civilians. Whatever their personal views on the issue of the death penalty, those who have the power to control the agenda of what makes it to the House floor for a vote have an obligation to their colleagues and the American public to let the Congress work its will on the death

penalty issue rather than bottling up bills dealing with this matter in committee.

So while I am especially pleased that my amendment to create a peacetime espionage offense with a death penalty under military law received a ringing endorsement from my colleagues in this morning's vote, I am equally impressed by the impetus this vote may give to getting the death penalty issue resolved on the floor of the House for other appropriate Federal crimes. I hope by this time next year a constitutionally valid death penalty will be back on the books for a number of these other crimes.●

#### HIGH YOUTH UNEMPLOYMENT RATE

##### HON. CARL D. PURSELL

OF MICHIGAN  
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. PURSELL. Mr. Speaker, the high youth unemployment rate in this Nation is of great concern to me. However, I do not believe that passing the American Conservation Corps Act will have a great impact on reducing that rate. Furthermore, I fear that by creating the ACC we will increase the national deficit which is already at an unacceptable level.

The intent of the ACC legislation is to provide employment and training for thousands of young people while improving public resources. This is a noble idea—but it's impractical.

We need to train young people for jobs on which they can build their futures. We need to recruit them for vocational training for jobs that are currently underemployed and are crying for workers. That's what the Jobs Corps Program and the Job Training Partnership Act do. The ACC does not address this issue but, instead, creates yet another Federal program.

H.R. 99 authorizes "such sums as are necessary" for the ACC. CBO has conservatively estimated total costs for this program at \$225 million for 4 years. Now is not the time to authorize new programs tied to new funding requirements.

Many of our current youth employment programs, which have proven track records, have either been level funded or have been reduced by both the House and Senate budgets. In order to justify a new authorization—and still remain within the budget guidelines—we would have to divert our focus from current programs. These existing programs should receive our undivided attention and support.

In conclusion, Mr. Speaker, I would like to emphasize that, although the intent of the American Conservation Corps Act is worthy, this is not the

time to create a costly new program to meet the unemployment needs of our Nation's youth. In the name of deficit reduction, I urge my fellow colleagues to vote against this bill. Thank you.●

#### JULIUS HOBSON: ANOTHER RUNG UP THE LADDER

##### HON. CHARLES B. RANGEL

OF NEW YORK  
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. RANGEL. Mr. Speaker, I rise to place in the CONGRESSIONAL RECORD an article commending Julius Hobson of the House District of Columbia Committee.

Black professionals have made great strides in the post-war era. In our Nation's Capital, a noticeable percentage of doctors, administrators, and lawyers are black. This fact is indicative of how much we can achieve when given a fair and equal chance to pull ourselves up.

Julius Hobson's position as legislative director for the Subcommittee on Fiscal Affairs and Health is an example of the opportunities now available for aspiring young professionals. He is to be praised for his fine contribution.

It is therefore with great pride that I rise to offer the following article for publication in the RECORD.

[From the New York Times, July 7, 1985]

#### AN INSIDER'S VIEW OF BLACK POLITICAL GAINS

(By Francis X. Clines)

WASHINGTON, July 6.—Sitting in a busy Congressional office where compromise is the only art, Julius W. Hobson Jr. remembers his father, Julius Sr., now dead, as something as a litigious firebrand in the black community in the 1960's when a generation of civil rights pioneers led the city back from the wilderness of disenfranchisement.

"I don't know if my father could have survived today," he said, reflecting on recent civic history from his place as legislative director for the District of Columbia Subcommittee on Fiscal Affairs and Health in the House of Representatives, where he works for Walter E. Fauntroy, Washington's non-voting Delegate.

"My father didn't like the give and take of the process we have now," Mr. Hobson said, "and it would have been a difficult transition for him from the outside, raising hell, to the inside, making compromises."

#### THE PUSH FROM WITHIN

The son loves the intricacy of compromise, and he was quietly noting, in effect, an important local milestone: Blacks are now successful politicians. They include City Council members and more prominent incumbents such as Mr. Fauntroy and Mayor Marion S. Barry Jr., veterans of civil rights struggles for the vote and for integration of department stores and the municipal labor force.

"My father played the Stokely Carmichael role, the bad guy on the street who would push an issue and then, when negotiations began, he'd work inside to keep these other fools from tearing the place up," Mr.

Hobson said with a touch of nostalgia. "For the most part it worked then. Now, it's not like that."

Protest is less relevant in the gray world of evolving self-government than in what Mr. Hobson calls the "cut-and-dried" 50's and 60's. "Solutions are more complicated," he said, "but for someone like me this makes life more interesting, looking for ways to improve government while protecting its limited resources."

Mr. Hobson's father scored some important victories in his time, prevailing in lawsuits directed at the vestiges of school segregation and winning a seat on the school board, the only focus for black politics in this city until municipal elections finally became reality 10 years ago under home rule.

The junior Mr. Hobson, initially scornful of a career in public life, eventually came to follow his father and win a seat on the school board, marking a further step for the black community of a second generation taking root in modern political life. From there he developed a taste for the quieter politics within Congress.

That, he says, involves the capital's gentlest political art, worked at by Mr. Fauntroy, of seeing that Congress takes no excessive interest in the District and its varied issues. This is the reversal of the black community's century of frustration in serving as the parochial lackey of Southern-dominated Congressional rule, a period that still fuels politics for Mr. Hobson and other local blacks.

A century ago there was a brief period after the Civil War that historians term the city's Golden Age of black political power. It was five years when Congress voted extra funds for the black school system; when black labor, freed from slavery, was invited to build the city's streets; when prominent blacks waltzed at the ball at Grant's second inauguration; when such black leaders as Frederick Douglass served on a new, more tolerant City Council, and when a black entrepreneur, James Wormley, ran the city's finest hotel in that brief, forgotten heyday of integration.

#### REGRESSION, THEN SOME GAINS

The period ended quickly as the national mood shifted and the Supreme Court ruled that the 13th and 14th Amendments did not bar individual acts of racial discrimination. Regressions followed, some still remembered well by the capital's older blacks. In the 1940's, Mr. Hobson's father moved to the city from the Deep South and, as a war veteran, joined other blacks pressing anew for such issues as home rule and statehood.

"It wasn't until 1964 that District residents finally got to vote in a Presidential election," said Mr. Hobson, who noted that Congress did not grant the District the vote for local officials until 1975. With a pace like that, the issue of home rule persists, he emphasized. He is working lately on such measures for incremental change as loosening the Federal control of the local court and jury system and establishing a new method for independent bonding authority for city projects.

"It's hard to say where my father would be in this city nowadays, it's so much more difficult in just the eight years since he died," Mr. Hobson said in his Congressional office. "Personally, I love this sort of thing, budget politics—that's where power lies now."●

SUCCESSFUL IMMIGRANT,  
GREAT AMERICAN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. DYMALLY. Mr. Speaker, I wish to call the attention of my colleagues in the U.S. House of Representatives to Joseph G. D'Oliveira, like myself, an immigrant to these shores. I single him out for the honor of recognition by this august body because Mr. D'Oliveira is a shining example of what is right about America. Joe is a man who came here seeking the opportunity that is the promise of America. Through hard work he made that promise of opportunity into a reality. Then—and this is what is so right about people of Joe's caliber—he showed his gratefulness to the country and to his fellow citizens by returning something to the country through his many public services. It is imperative that this body, the Representatives of the citizens of this Nation, recognize people like Joseph D'Oliveira because they are the models of citizenship we would hope to see emulated by others.

Joe came to the United States from his native Guyana in 1965. Almost immediately he joined the armed services. He earned the rank of staff sergeant. Serving with distinction in Vietnam, he was awarded the Bronze Star for meritorious service. Upon completion of his military service, he enrolled in college, attending East Los Angeles College. He received a degree in business in 1972 after having completed course work in his major with a straight A average. Immediately he enrolled at California State Polytechnic University to earn a second degree, this time in accounting. Again he achieved the distinction of graduating with a straight A average in his major. With such a record of single-minded goal directedness, you can imagine that Joe advanced quickly in the business world. He began work in the United States as an accountant for Continental Airlines. By 1975 he had opened his own business as a certified public accountant. He later formed the partnership of D'Oliveira, Lim, Weber & Co., a public accounting firm. Recently Joe went on to become a partner in the firm of Fortune Builders, Inc., a real estate development and investment firm.

If this were all there is to say about Joe, then he would be a successful business person. But this is just the beginning of the Joe D'Oliveira story. Of special note is the public service work he has done for his community and for his country. Joe is a member of 100 Black Men of Los Angeles, Inc., a group highly respected in southern California for its many charitable works in the community. Joe serves

students as a member of the Board of Trustees of the City University of Los Angeles. He serves his fellow Caribbean Americans as vice chairperson of the Caribbean Action Lobby which works to make the concerns of Caribbean Americans known to our government bodies.

One of the achievements in which Joe takes great pride is the fact that since 1976, he has been one of this country's honorary consuls to the Republic of Guyana. For his work in creating a link between his native country and his adopted country, the people and the Government of Guyana have just awarded Joe one of their coveted honors, the Golden Arrow of Achievement. When Los Angeles hosted the 23d Olympiad, Joe served as Olympiad attache for Guyana. His efforts were rewarded by a special resolution in the California State Senate.

Joe is known in southern California for the many hours he has devoted toward providing opportunities for young people. He is a member of the Advisory Board of the Pacoima Youth Culture Center. He also is a board member of the Esquire Girls and Boys Club, Inc. His service has been recognized by a grateful Los Angeles. He recently was awarded a certificate of appreciation for community involvement by the city of Los Angeles.

Mr. Speaker, Joe D'Oliveira is the best this country has to offer. I am proud to count him as an American, a Californian and as a dear and valued friend. ●

BOONE'S HISTORY ESSAY WINS  
TOP HONOR

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. KOLBE. Mr. Speaker, excellence in education is achieved when all of us work together—parents, students, teachers, community leaders, and public officials—to provide our young people with the tools to lead productive lives. I am proud that three schools in Arizona's Fifth Congressional District have been recognized for their outstanding contributions to education and as role models for other schools around the country.

Secretary Bennett has announced the results of the Department of Education's Exemplary Public and Private School Recognition Project, a program to acknowledge the educational achievements of America's schools. From Tucson, AZ, Flowing Wells and Santa Rita High Schools were recognized in the public school category, and Green Fields Country Day was chosen as an exemplary private school.

These schools can attest to the importance of the Department of Education's program by pointing to their students. As an example, I am attaching to my remarks the story of a young man who reflects the involvement of caring parents and diligent teachers who supported his quest for excellence.

BOONE'S HISTORY ESSAY WINS TOP HONOR IN  
NATIONAL HISTORY DAY COMPETITION

(By Michelle M. Jerin)

Honors are nothing new to recent Green Fields Country Day School valedictorian David Boone.

Distinguishing himself in the science community in past years, Boone placed first in the biology division in the state Science and Engineering Fair held at the University of Arizona in 1983, representing Arizona in the national contest with a project on the affects of ultrasound on chicken embryos.

In 1984 he won top honors in the all-school science fair at Green Fields, choosing not to enter the state contest. Also, Boone placed sixth in the Arizona National Spanish Examination in 1983; and served as editor of the school newspaper, *The Flyer* for two years, as well as a staff writer prior to that time.

Boone recently added another feather to his honor-adorned "cap" when he was named the winner of the National History Day competition in Washington, D.C. June 13.

His research paper, *The Port Chicago Disaster*, followed the required theme of "Triumphs and Tragedies in American History" for this annual contest.

Judges applauded the accuracy in Boone's research and the avenue of his presentation of tracing the disaster, which occurred July 17, 1944, from its earliest stages to the cover-up by the Navy at this major ammunition loading dock, and the series of events that resulted as an outcome of the disaster.

What has been described as the "largest man-made disaster before Hiroshima and the largest homefront disaster in World War II," *The Port Chicago catastrophe* was considered a major cover-up by the Navy; a serious injustice to the black men working the loading docks at Port Chicago; and the start of desegregation by this branch of the armed services . . . all of which is outlined in Boone's paper.

Boone's paper was selected out of an initial field of more than 3,000 entrants on the Senior Division High School level open to freshmen to senior. Points are awarded at each judging level and Boone received a near-perfect 99 percent by the university of Arizona history professors sitting as state judges.

His reward for such distinction on the national level—a \$1,000 cash prize as well as a Pan American Summer Scholarship.

For the past three years, Green Fields has won both first and second places in state competition. In addition to taking top honors in the national contest, Boone easily placed first in the district and state contests.

More than 150 entrants from the Kolbe-Udall congressional districts participated in the district level competition in March. State competition followed in April with 900 students participating.

Placing second, behind Boone, was Stephanie Talbot Victor, also a senior at the independent school, with her paper, "The First Right of Every Child is to be Wanted." It

was uncertain at this time how she fared in the national competition, said Phineas Anderson, Green Fields headmaster. "Only the top three national winners were announced," he said.

Boone dedicated almost three months researching the tragedy followed by 10-12 drafts of the paper and about five major rewrites to produce the award-winning article.

Before attending the University of Arizona this fall, possibly to study Civil Engineering, on a full-tuition, four-year, academic scholarship awarded by the Board of Regents, he will work full-time in a laboratory in the Pharmacology department of the UA Health Sciences Department.

Boone is the son of Max and Carol Boone of Tucson.

Guiding Boone in his project was history instructor John Hosmer, who was honored as the Most Outstanding History Day Teacher by the UA and Arizona Historical Society, receiving a \$100 cash award. Boone credits Hosmer with careful proofreading, guidance and aid in research in the final draft of the paper.

Anderson believes Green Fields tremendous achievement record in this competition is a result of a comprehensive history program which begins in the fourth grade, as well as the emphasis on writing at the school, where students understand research papers, how to write them, and what they are all about. "And, to the teachers who go that extra mile," he said.

The University of Arizona will now publish Boone's paper in the UA History newsletter . . . indeed an honor for the school, said Anderson. ●

#### LAUNCHING US-44

**HON. JOSEPH J. DiOGUARDI**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. DiOGUARDI. Mr. Speaker, I rise before this body today to call attention to one of our Nation's proudest traditions: the America's Cup. The America's Cup, recognized around the globe as the emblem of sailing supremacy, is the oldest trophy still contested in the world of sport today.

The cup was originally commissioned by England's Royal Yacht Squadron in 1848. In 1851, before the eyes of Queen Victoria, a schooner named *America* outsailed no less than 14 British yachts to begin the greatest dynasty in sporting history. The America's Cup was successfully defended 24 times over 132 years by American yachtsman. Then in 1983, the longest winning streak in sports history ended, as the cup passed to Australia.

American yachtsmen no longer have the advantage of competing for the cup in our own waters. In the 1986-87 series they will have to challenge the Royal Perth Yacht Club, America's Cup defenders, in the waters off Fremantle, Australia. Nevertheless, among Australian bookmakers viewing the field of foreign contenders for the 1987 America's Cup, the front-runner

is the New York Yacht Club's *America II Challenge*.

On May 24, the *America II Challenge* christened US-44, a new breed of 12-meter yacht for the 1987 America's Cup races. The new yacht, the second challenger to be launched by the New York Yacht Club's *America II Challenge*, is considered the most advanced and fastest 12-meter designed for cup competition. Furthermore, in refreshing contrast to a multitude of wasteful, Government subsidized programs, the *America II Challenge* is financed entirely by private contributions and investments.

The following is a copy of William F. Buckley Jr.'s remarks on the occasion of the launching of US-44:

#### LAUNCHING US-44

Mr. Chairman, Admiral King, Commodore Mosbacher, about fifteen year ago I attended with my wife a state dinner at the White House, in fact, for us, the first. I was not intimidated by the presence there of our host, the President of the United States, whom I had met here and there, when he was engaged in climbing the grimier rungs that lead to that high office. But the prospect of being presented to him by the Chief of Protocol was positively unnerving. Getting dressed a half hour earlier, across the street at the Hay Adams, I said to my wife, "You do realize that the chief of protocol is Bus Mosbacher, who won the America's Cup?" To which she replied, "You evidently don't realize that you have told me that five times in the last five days." It was with great awe that I took the hand of Bus Mosbacher, staring at him as I suppose I'd have stared at Christopher Columbus, or Galileo. You see, in those days I used to do ocean racing quite regularly, and hard though we tried, we never managed, somehow, to come in with the winners. I remember disconsolately, after my fifth Bermuda Race, being asked by a reporter what was my ambition during these races, replying, "My ambition is to beat at least one boat." And indeed, the summer before, arriving at three o'clock in the morning at the finish line in Halifax from Marblehead, in the dead of night a great stillness had descended on the harbor. My eyes caught a ray of light coming from a sailboat ten yards behind us which we had only just beaten to the finish line. The light lingered over our stern, desecrating the name of our vessel, and then travelled up the mainsail to check our racing number, and then I heard the unmistakable voice of F. Lee Bailey say, "My God. Even Buckley beat us." I learned years later that he sold his boat the following week.

I managed, in the receiving line, to shake the awesome hand that guided the tiller that in 1962 had defeated the Australian challenger; and then to greet the president; and then to greet the guest of honor, who by ironic masterstroke, was the prime minister of Australia, Mr. John Gorton. I remember thinking that surely President Nixon should have presented the Prime Minister to Mr. Mosbacher, rather than the other way around.

So that you have some idea of the awe I feel for the company I am keeping today. I have heard many jibes about the high cost of asserting what is obviously the providential right of the New York Yacht Club, with the distinguished assistance of the United States Merchant Marine Academy, to house the America's Cup, but of course one hears

that kind of thing all the time. It was I think thirty years ago that I became a member of the New York Yacht Club and my sponsor, pointing to the Cup at 44th Street, said to me, "Do you know, more money has been spent attempting to win that Cup than was spent on the Spanish Armada?" Well no, I hadn't known this, nor did I know what was the anticipated reply to such an observation.

I remember groaning, at Cape Canaveral in July of 1969 when one of those awful people who write editorials said that for the cost of Apollo 11, which was going up the following day to land on the moon, we could build four thousand and eighty-two lower middle-income dwelling units.

But one cannot parse life's enterprises in any common coin. If Vladimir Horowitz had exercised his fingers on a sewing machine instead of on a keyboard, stroke for stroke, he might have stitched a blanket that would keep eighty two thousand Eskimos plus Mary McCrory warm on a cold winter's night. The sailing sport is an appanage of a class of enthusiasts who are aristocratically concerned with excellence at sea. For them—for you—no sacrifice is implausible, whether measured in savings invested in the architecture and engineering of a vessel, or hours spent in cultivating the intellectual and physical skills necessary to overcome marginally the resistance to speed at sea, the margin in question distinguishing you from the boat that, two years hence, you will have left behind. I think it is a sign of great spiritual health that even as men risk their lives to ascend a mountain peak, others devote a part of their lives and the produce of a part of their lives, to designing, and to manning, the fastest vessel of its size in the world. In John Koliou you know you have someone appropriately fanatical to pursue your designs. In Sparkman and Stephens you have the services of Stradivarius. And in Bus Mosbacher you have the shadow of the man who reminds us that he wasn't in command when we lost that cup, which we shall retrieve now, after the expeditionary force leaves here to travel to Perth in Australia.

We will have it back, but we will do this without severing diplomatic bonds with that young, robust, alluring country whose prime minister our sometime Chief of Protocol took such splendid care of back in 1969.

It happened that, seated next to me at the White House banquet, was a young Australian diplomat on the staff of the Prime Minister who served as his speechwriter. This he confided to me after a few bottles of wine, White House protocol having neglected only to remember to make draft beer available to that evening's guests. And so, as Prime Minister Gorton waxed into a robust and affectionate speech about U.S.-Australian relations, his speechwriter's face was caught in contortions of bliss, as he heard pronounced, one after another, the words he had written. And toward the end of the toast he dug his elbow quietly into my side and whispered, "Listen! Listen! Listen now . . ." whereupon the Prime Minister, reaching for his glass to conclude his toast, declared to his distinguished audience, "Continue as you are, my American friends, friends of liberty, and friends of progress, and we"—my Australian speechwriter closed his eyes now in transport, in anticipation of the rhetorical coda, "we will go Waltzing, Matilda, with you."

Well now, the sentiment was lovely; the cultural embrace between the two peoples, enduring.

But on one point, there remains the need for a little clarification.

The American Cup belongs back here. Not only back here in America, but back here in that nice little understated room, four, five steps down from the landing, inside that glass case, on 44th Street, because without it, we are very lonely. Indeed I myself have pledged that until we have it back, I shan't waltz at all, let alone with kangaroos.

So that, one day in February of 1987, at about four in the afternoon, in the waters off Perth, the Australians must know what it was that Cinderella experienced. It is a pity that such a reintroduction into realism must be done to Australia by among others the man who served as chief of protocol when the Australian prime minister was with us: but you see, the protocols of the America Cup are that it belongs in America: so that we are, after all, here engaged in nothing less, and nothing more, than a venture in repatriation. Here's to US-44. May she bring us back what we have come to regard as an American birthright, so that my wife and I can waltz again, under the Milky Way, when all is right again at 44th Street in Manhattan.

Mr. Speaker, I strongly urge all Americans to enthusiastically support the efforts of *America II* in the quest to regain the America's Cup, and I commend those who have given of their time and money for this effort.●

#### SUSQUEHANNA RIVER BASIN COMPACT AMENDMENT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. GEKAS. Mr. Speaker, I have today introduced legislation to remove the limit on the rate of interest and interest costs permitted to be paid on bonds and other obligations issued by the Susquehanna River Basin Commission.

The Susquehanna River Basin Commission, formed by the passage of the Susquehanna River Basin Compact in 1970 (Public Law 91-575), manages the water and water-related resources used to develop the Susquehanna River Basin in the States of New York, Pennsylvania and Maryland. The Commission also devotes its attention to pollution and flood control, wildlife and fish protection and the development of ground and surface water supplies for home, industry and agriculture use.

Under article 13 of the Susquehanna River Basin Compact, the Commission is authorized to "negotiate loans, grants, gifts, services, or other aids as may be lawfully available from public or private sources to finance or assist" projects or proposals entered into by the Commission and "may issue its negotiable bonds and other evidences of indebtedness" to repay such debt. Under current law, however, any bonds issued may only bear an interest rate of no more than 6 percent per annum.

The SRBC has not, in their 15-year history, issued any bonds for sale to finance any project. Presently, the SRBC is moving forward with implementing a large water storage project for the region, contracting directly with the Army Corps of Engineers for its construction. Financing for this project may be needed. Financing options available are a 50-year payback to the Corps and the issuance of bonds by the Commission. A 6-percent bond ceiling would, by making the bonds less than attractive purchases, ultimately reduce the effectiveness of the Susquehanna River Basin Commission to raise capital for project development. Thus, the SRBC has requested that they be allowed to set the interest rates for bond issuance based on the present market rate. The SRB Compact must be amended to allow the Commission to set the bond interest rates.

To amend the Susquehanna River Basin Compact the legislatures of the member States (New York, Pennsylvania and Maryland) must each approve legislation amending the compact. Such State approval must then receive congressional approval, or consent, to the modification of the compact. The various States involved have all approved the necessary legislation; all that awaits is congressional consent.

My proposal would provide for the congressional consent. It is truly a noncontroversial bill that would allow a congressionally created commission to properly function without the additional expenditure of any government funds. A copy of the legislation follows this discussion.

I am joined in offering this measure today by Mr. McDADE of Pennsylvania. A similar measure will be offered in the Senate by Senator ARLEN SPECTER of Pennsylvania.

I would urge all Members of Congress to cosponsor and pass this important legislative proposal so that the valuable efforts of the Commission are not hindered.

#### H.R. —

A bill granting the consent of the Congress to the amendments to the Susquehanna River Basin Compact

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

#### SECTION 1. AMENDMENTS TO SUSQUEHANNA RIVER BASIN COMPACT.

(a) CONSENT OF CONGRESS.—The consent of the Congress is hereby given to the amendments, described in subsection (b), to the Susquehanna River Basin Compact, entered into by the States of New York, Pennsylvania, and Maryland and consented to by the Congress in the Act of December 24, 1970 (84 Stat. 1509).

(b) DESCRIPTION OF AMENDMENTS.—The amendments referred to in subsection (a) have been ratified by the States described in such subsection and have the effect of—

(1) amending section 13.9 of Article 13 of the Susquehanna River Basin Compact (84 Stat. 1528) to read as follows:

"13.9 Interest. Bonds shall bear interest at such rate as the commission shall determine, payable annually and semi-annually.";

and  
(2) amending section 13.13 of such article (84 Stat. 1528) to read as follows:

"13.13 Sale. The commission may fix terms and conditions for the sale of other disposition of any authorized issue of bonds and may sell its bonds at less than their par or face value. All bonds issued or sold for cash pursuant to this compact shall be sold on sealed proposals to the highest bidder. Prior to such sale, the commission shall advertise for bids by publication of a notice of sale not less than ten days prior to the date of sale, at least once in a newspaper of general circulation printed and published in New York City carrying municipal bonds notices and devoted primarily to financial news. The commission may reject any and all bids submitted and may therefore sell the bonds so advertised for sale at private sale to any financially responsible bidder under such terms and conditions as it deems most advantageous to the public interest, but the bonds shall not be sold at a net interest cost calculated upon the entire issue so advertised, greater than the lowest bid which was rejected. In the event the commission desires to issue its bonds in exchange for an existing facility or portion thereof, or in exchange for bonds secured by the revenue of an existing facility, it may exchange such bonds for the existing facility or portion thereof or for the bonds so secured, plus an additional amount of cash, without advertising such bonds for sale."●

#### SOCIAL SECURITY AND THE FEDERAL BUDGET

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SHAW. Mr. Speaker, recent action by the conference committee currently meeting to construct a budget for 1986 indicates that full cost-of-living adjustments [COLA] will be retained for Social Security and other Federal retirement programs.

I am very pleased by this recent development. Many residents of my district in south Florida are dependent upon these COLA's. For them, it is one of the few ways they are able to maintain a standard of living that has been eroded by the astronomically high cost of health care and inflation costs. Again and again we have reassured senior citizens that we would not take this small increase away from them, and indeed, there is no reason to.

The Social Security Amendments Act of 1983 took several steps to remedy the financial problems the Social Security system was experiencing. The retirement age has been raised to 67 years, the COLA was delayed for 6 months and some seniors' benefits are now subject to taxation. To further penalize this select group is just not fair.

Any savings from a freeze of the Social Security COLA could not be

used to supplement savings in another area of the budget. To say that a freeze would reduce Federal spending is not only irresponsible, it is also unwise. The act places the Social Security system off-budget in 1992. It will not be possible to fudge budget savings from Social Security then. We should recognize this fact, and act accordingly now.

I wholly support the conference committee's recent action in maintaining the Social Security and other Federal retirement programs COLA.●

H.R. 2817—SUPERFUND  
AMENDMENTS OF 1985

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. LENT. Mr. Speaker, I am sure that every one of my colleagues is aware that the Comprehensive Environmental Response, Compensation, and Liability Act, more commonly known as Superfund, is due to expire on September 30 of this year. I am equally sure that each of my colleagues is aware of the importance of this legislation and the necessity for Congress to act quickly in reauthorizing this program.

Next week, the full Committee on Energy and Commerce will begin marking up H.R. 2817, the Superfund Amendments Act of 1985. H.R. 2817 not only reauthorizes the Superfund Program, but it also includes a number of changes to existing law which I believe will greatly improve it. This bill was approved by the Subcommittee on Commerce, Transportation, and Tourism for full committee by a voice vote and it is supported by a bipartisan group of Republican and Democratic members.

Reauthorization of the Superfund Program has generated a great deal of discussion and controversy. For that reason, I am inserting in the RECORD today an op-ed piece which appeared in the New York Times on Wednesday, July 10, 1985, which I felt would be informative for my colleagues as we begin markup.

[From the New York Times, July 10, 1985]

BANKRUPT ENVIRONMENTALISM

(By James Bovard)

WASHINGTON.—The Superfund is a fiasco, and the debate over the terms of its renewal after its expiration Oct. 1 reveals the bankruptcy of the environmental movement.

The environmental lobbies seem to have acquired many of the worst traits of the defense lobby: In the same way that being pro-defense is often an excuse to neglect cost overruns and badly built weapons, being pro-environmental is, increasingly, a license to disregard the failure of anti-pollution programs.

The Environmental Protection Agency has cleaned up only six out of thousands of

hazardous waste sites, and the five-year, \$1.6 billion Superfund, designed to finance this cleanup, instead has primarily spawned bumper crops of planning, administering and litigating. The fund has done little or nothing to protect the public health.

But the only solution to the fund's failings that environmentalists seem to offer is to throw more money at the problem. Environmentalists seek a \$10 billion to \$13 billion program as against the Administration's \$5.3 billion proposal. Almost all the debate has been over the level and method of Superfund financing—is if the program's effectiveness was irrelevant.

The defense lobby and environmentalists often share an inability to focus on real issues. Many conservatives try to defend the MX missile not by refuting its alleged vulnerability but by talking about the Soviet threat. Likewise, environmentalists' discussion of the Superfund usually dwells on the value of cleanliness, with little explanation of how the fund would ever solve the toxic waste problem.

Further, environmentalists have neglected the fund's weaknesses. For instance, a company that places a single barrel of waste at a dump can be held legally responsible for the cleanup cost of the entire site. This is unfair and counterproductive, since companies fight vigorously to avoid admitting responsibilities, and nothing gets done while lawyers get rich.

Even as the defense lobby is often co-opted by defense contractors, the environmental movement is being co-opted by the public-works lobby and pork-barrel politics: At a recent Congressional hearing, a hot issue was whether states would continue receiving Superfund grants two years after their last hazardous waste site was sanitized.

Environmentalists have not provided leadership in focusing the Superfund's resources. The gravest threat from hazardous waste dumps is that seepage will contaminate ground water and taint much of the nation's water supply. But, as a result of the Superfund's "act now, understand later" mandate, we know little more about ground-water pollution today than in 1980. The General Accounting Office reports that little has been done to determine how dump sites contaminate the water supply and to measure the dangers that various pollutants pose; yet, environmentalists have hardly protested the lack of research that would eventually enable us to know what we are doing.

Environmentalists seem incapable of learning from their mistakes. Their great cause of the 1970's—the Clean Water Act of 1972—is a landmark of ineffectiveness. Government and private corporations spent \$120 billion complying with it; yet, the Association of State and Interstate Water Pollution Control Administrators reports that only 11 percent of surface water streams are cleaner now than in 1972. The act was characterized by a pork-barrel approach, infatuation with "best-available technology" and utopian standards (zero discharge of pollutants). The Superfund program repeats almost all the mistakes of the Clean Water Act—and, so far, is equally unproductive.

If we really want the "biggest bang for the buck," we should focus on the single largest source of broad-based pollution: the runoff of pesticides, fertilizers and eroded soil from farms. It makes no sense to scrub clean one pollution threat while totally ignoring another major problem.

Environmentalists have become good Washingtonians, more concerned about

spending money for a good cause than actually solving a problem. Hazardous waste sites are indeed dangerous, but it will take more than good intentions and lofty rhetoric to meet the challenge.●

A MAN AND HIS AIRLINE

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. KOLBE. Mr. Speaker, not too far south from here, two brothers changed the world with an idea. Orville and Wilbur Wright were considered lunatics in their day, until their trial and error attempts to fly resulted in a 7-minute ride and the discovery of manned flight.

Sometimes we wonder if pet rocks and video games are the only ideas left testifying to human ingenuity and entrepreneurship. Then, along comes someone who satisfies our longing for an innovation that puts men and women in space, cures a disease, or revolutionizes an industry. Regardless of what we as individuals consider to be important achievements, ideas are the root of our fascination with innovation.

Two years ago, when Ed Beauvais and his partners beat the hot Phoenix, AZ pavement looking for investors in his new airline, the response was: "Sink all that money into an idea? No thanks!" This spring, America West Airlines posted first-quarter profits of \$2.7 million, leaving many to wonder if ideas are really such a bad investment.

The following article outlines the success of Ed Beauvais' idea. The next time you find yourself on an America West flight, recall how one idea can lead to another.

A MAN AND HIS AIRLINE

(By Brian J. Ward)

Funny, Ed Beauvais doesn't look like a giant-killer. He sports no tattoos, no wild-eyed, spitfire cowboy machismo. No swagger. No bravado. No trendy hyperkinetic manner so often typical of young entrepreneurial mavericks. Yet here he is, chairman of the board and chief executive officer of America West. His airline will celebrate only its second birthday Aug. 1, but already it has captured a full 25 percent of the passenger air travel market out of Phoenix Sky Harbor International Airport. Beauvais and his airline have bushwhacked Republic, dethroned Southwest, and wiped the smile off PSA.

America West is an overnight success that began somewhere between two and 25 years ago, depending on how you count.

In 1978, the airline industry had just been turned topsy-turvy when Uncle Sam jolted it with a snootful of free enterprise through deregulation. Without subsidies and regulated routes, Braniff and Continental, among others, would belly-flop. Pan Am and other major airline corporations would teeter on the brink of financial disasters. Everywhere there was chaos and the carcasses of those unable to adapt. Forced to play the free en-

terprise game by the same rules as everyone else, the airlines had to face reality. For many, reality was a black hole.

And yet there was Beauvais, convinced he could get a new airline off the ground. This gentleman renegade, the son of a Colorado coal miner, was saying he could make the capitalistic system work in the dovetailing airline industry, he would surround himself with the best people, he would work hard, and he would learn from everyone else's mistakes. He would defy the odds, sell millions of dollars worth of stock in nothing more than an idea, a calculated but still very risky masterplan. He would make efficiency an art. Then, breaking all convention, he would inspire productivity by making employees own stock in the company and putting them on a job rotation program to improve customer service. With a vision and guts, he would fly in the face of giants.

After five years of staging and not quite two years of operation, America West Airlines is at the very least making the giants take serious notice.

America West is recording the highest load factors in the industry, with more than 60 percent of its seats filled this past spring, and similar figures expected for following months. Anything over 56 percent translates to pure profits for the airline, even with its two newest aircraft, Boeing 737-300s, costing a hefty \$230,000 each in monthly lease fees.

After running in the red for the first 17 months, Beauvais and company reported first-quarter profits this spring of \$2.7 million. On top of that, recent stock sales have boosted on-hand capital to the tune of nearly \$49 million. The company has grown from 280 employees to more than 1,600. From three aircraft to 23, all modern Boeing 737s. All very different from the beginning, when Beauvais and a dozen associates had no backers, no money, no planes, and no more than a glimmer of what was possible if only it was done right.

America West cash registers now clang with more than \$200 million a year in revenues—revenues imported to the Phoenix area from places such as Nebraska, California, British Columbia, a total of 24 cities in 10 states.

How did Beauvais know what markets to tap, how to coordinate the best routes? How to avoid the pitfalls that had swallowed so many of his counterparts?

"That's my job," he says with a shrug. He is not being coy. He is not being sarcastic. He has considered the question objectively, and that is his answer, reduced to the simplest expression.

Beauvais is oddly objective about himself and the success of his airline. He doesn't boast and he isn't artificially humble. He talks long and openly about the industry and the airline, though he usually stops short of directly criticizing individuals or other companies. He seems uninterested in indicting anyone, only in constructive solutions. He offers opinions and facts about the airline industry in the interest of education, and he willingly answers questions about himself if asked. But it never occurs to him that he should be a topic for discussion.

"I don't take credit for all of this," he says. "You have to remember that in 1981, we accumulated 12 people who had substantial airline experience and had committed their lives to this. All of them have made significant contributions to mobilizing America West. This is not at all just one man's effort."

True, president and chief operating officer Michael J. Conway and 19 other officers and directors are helping guide America West. But it's Beauvais who's in the pilot's seat.

The seat is just 15 minutes from Sky Harbor, in America West headquarters on Mill Avenue in Tempe, just down the street from Arizona State University. Beauvais office surroundings are strictly functional. Like Beauvais the office wastes nothing on the frills factor. It is light, airy, uncluttered and immaculately clean.

At 48, Beauvais looks none the worse for wear at what he calls his "sedentary profession" at a desk. A former high school and college baseball and football player, he's six feet tall and in good shape.

Efficiency and function are the impressions that keep coming up, and uncommon intolerance of baloney. The Jesuits have to be involved somewhere. It turns out they are. Beauvais has a bachelor's degree in accounting and economics from Regis College in Denver, a Jesuit school.

Beauvais smiles at the connection. "Yeah, the Jesuits are very good educators. They give you a good appreciation of what you don't know. And if you have a good appreciation for what you don't know, you're much better able to handle things."

His desk, a bookcase, chairs and a conference table are all contemporary, all with clean lines and no superfluous ornamentation. There are no backlogged stacks of paper. The picture frames on the walls hold no expensive artwork, only excellent color photography of America West aircraft.

Beauvais spends an average of 60 hours per week here, "never less than 50 and often more than 70," he says. He hasn't had much time to ski lately with his wife and five grown children. The office is home during those long hours when he cannot be with his family in their house near the Arizona Biltmore. Here, Beauvais charts the course of his young Phoenix-based airline that in the beginning, ironically, could get virtually no Phoenix-based financial funding.

While relaying raw data, statistical information on millions of dollars, hundreds of employees, the hows and wheres of America West's sojourn, Beauvais is notably dispassionate, reporting just the facts. But then as if struck for the first time with the significance of this business adventure, his face brightens and he leans forward across the table, hands extended for emphasis.

"We've done some of the most exciting type of work that anyone can do in business today," he exclaims. "That is to develop a concept and start a company based on the strength of the idea, without having a great deal of money—but being able to do it because the American free enterprise system works. . . . Only in the U.S. could it be done."

In the U.S., yes. In Arizona, not exactly. Surprisingly, though it would stand to benefit the most from the success of America West, Arizona was not interested.

Beauvais and the team trudged up and down financial row along Central Avenue in Phoenix looking for investors. There were no takers. It was a good idea, sure, but put up money? For an idea?

"Sure, we went to all of them," Beauvais recalls. "We talked to first Interstate, Valley National. But you have to realize that kind of venture capital doesn't come from banks anyway. They don't have it to invest. Private investment is what you need." Except for private investments totaling roughly \$250,000, the Arizona well was dry. Not until

September 1983, after America West was already flying, and then again in February 1984, did Western Savings purchase preferred stock totaling \$21 million. "They are real, true believers in America West [now]," Beauvais says.

"One of the biggest problems we faced was that the airline industry was not well known in Phoenix," he explains. "While Phoenix sees airlines operate here on a regular basis, no airline is based here, nor are the central finance needs of that company here in Phoenix. So we're a kind of foreign industry in Arizona. Now, for the very first time, Arizona has an airline that imports capital into the local economy. We [America] West employees all live here, we do our banking here, we buy our homes here and we spend our salaries here. When somebody in Omaha buys a ticket that money winds up in Arizona. Eighty percent of our revenue comes from outside the state. We bring substantial amounts of money into Arizona. But that was not evident to anybody in Arizona when we started. So when we secured our initial investment, it was not in Arizona. It was primarily from [investors in] New York, and to lesser extent, Massachusetts, California, Canada and Great Britain."

Even though the Arizona financial community lacked the foresight to understand the potential of a Phoenix-based airline, Beauvais never doubted it. He envisioned a gateway for the flow of passengers from the east into California, and vice versa. A route south of Denver would be beneficial. It had to be a growing city. One of the many advantages of a southern city would be the weather, eliminating cancellations due to snow and other winter hazards. At first glance, Dallas/Fort Worth might have seemed a likely candidate, but Beauvais was too wise to fall into that alluring trap.

"Dallas/Fort Worth is not attractive, not when you analyze it carefully. Phoenix in my opinion was by far the most attractive," he says. "Phoenix has 1.7 million people. It's a major city. Plus, in Phoenix we did not have to take on well-established, deeply entrenched incumbent airlines. Dallas has American, Delta and at that time [had] Braniff. The largest airline here was Republic, and its route system strength was really elsewhere—Minneapolis/St. Paul, Detroit and Memphis."

So his 25 years of experience in the industry told Beauvais that Phoenix was the best spot, money or no money, and his carefully acquired business experience was going to tell him the rest, too.

"I started in 1960 in the commercial airline industry, in the finance department at Frontier Airlines in Denver," he recalls. "So my career has been 25 years of developing the economics, marketing, pricing side of the industry—the professional end as opposed to the operational end. I left Frontier in 1963 and went to the finance department of an airline based in Las Vegas. In 1966, we all moved to Phoenix—that was Bonanza Airlines. As assistant vice president of research and development, I did scheduling, marketing, pricing, route planning, economic evaluation, feasibility studies on the airplane from an economic standpoint, that sort of thing. We merged with two other airlines in 1968, became Air West, and moved to San Francisco."

In 1970, when the airline became Hughes Air West, Beauvais left and formed his own transportation and consulting firm. It was the start of his entrepreneurial career in a shaky industry, but he never went back to working for someone else. During those 10

years, he developed an array of important business contacts across the country. He learned what worked, learned what didn't, and developed some tricks of his own. Some were conventional, others were not.

"In 1978 the airline industry was deregulated. I had many contacts at that point and it became apparent that a new airline company could be formed in the new environment," he explains. "So in 1981 I dissolved my consulting firm and made it a full-time commitment to start America West." Some two years later the dream became reality.

Prior to deregulation, Beauvais says he had no inclination at all to start a new company. He has not been in love with airplanes all his life or anything like that. But when the door of opportunity opened, he carefully weighed every angle of the proposition and decided to make the leap.

"It was not evident prior to 1978 that a new airline was a possibility. It had been a regulated industry of the utility type. Route development was a very slow process. The Civil Aeronautics Board would only grant a route to an airline after a very careful study. Sometimes five or six airlines competed for a route. The process took one or two years," he says. "In 1978, though, it became a typical free enterprise industry and it was apparent that the normal rules of economics had come into play for the first time, which was a major difference. Those rules gave rise to America West.

"We've lived the American dream," he proclaims now. A dozen partners invested a total of \$500,000. It was nowhere near the minimum \$15 million they needed to set up an airline, but it was enough to survive as a development-stage company. They had no aircraft, no passengers, no terminal, only a company name and Beauvais' meticulously analyzed strategy.

Beauvais and partners gave their pitch every chance they had, to anyone who would listen. They offered common stock in their company. Within two years, \$58 million worth of stock and loans had been secured on the strength of their idea. It was time to get some airplanes.

Armed then with some pretty substantial change in their pockets, and the enthusiasm and persistence of a high school athlete who's never been told no—and three used airplanes—they were ready. Beauvais and friends lit out headfirst after Republic, Southwest, PSA and everybody else nearby.

"We attacked vigorously," he says, cocking his eyebrows in the challenging manner of William F. Buckley Jr. "In the first year and a half, we went from no departures to 90 daily. Republic had about 70 when we started and Southwest was second with about 40. Our attack was carefully gauged. Republic is down now from 70 to 20 departures daily. Southwest is up to 49. We have 90 and we compete on just about every route Southwest has. We competed with both, but we also provided a bunch of new nonstop services that never existed before."

Flights to Colorado Springs, Wichita, Omaha, Oklahoma City, and Tulsa are among services America West initiated. Colorado Springs is just one example of Beauvais' ability to spot a winner. In 1983, he says, prior to America West's arrival, a passenger had to fly from Phoenix into Denver, then back to Colorado Springs. Trip time was almost four hours and cost \$204 one-way. Now America West goes nonstop four times a day, it takes one hour and 20 minutes, and costs \$65.

"We recognize that the service was so bad that the actual market was depressed. That

market quadrupled in size in one year after we started the service," he explains.

"And people are now flying into Phoenix for the first time, or using Phoenix on their way to California now for the first time. Phoenix is now a major traffic hub, and it will continue to grow and be a major part of the transportation industry. The story of Phoenix will be the same as major cities in the past such as Denver, Chicago and Dallas/Fort Worth."

Though Beauvais has been a wizard at spotting the prime opportunities, that's only half of his golden touch. The flip side is his management-labor theories, and this is where his style gets unorthodox: America West insists on sharing the loot with labor.

Employment at America West is contingent on buying stock in the company. It almost never costs the employee any cash out of pocket. Employees currently hold only about 12 percent of the common stock on the market, so the situation doesn't cause a cash-flow problem. Beauvais just likes the idea of employees being owners and being committed to the success of the company. In return, they share the rewards.

"We [management] are not just going to take the money and run," Beauvais promises. "I've been through most levels of companies. I know what's involved, and I want this to be an enjoyable experience for people. We all have our own lives to live, but if this [company] works, it's going to be a financially and socially beneficial experience for everybody."

Beauvais sees his approach as being in the vanguard of modern corporate management. "American industry is undergoing a second revolution, a new wave of corporate philosophical change," he says. "You have your people—who are critical to your success—you have them working for the same objectives the company is working for. I think it is entirely logical, and we do not accept the idea that management and labor have to be adversaries. Also, on a quarterly basis, we all get profit-sharing. Fifteen percent of pretax profits are allocated right back to the employees in cash. So when the good times come, they get more money. Their compensation is supplemented by the profits. Third, every employee gets an incentive stock option on their anniversary."

If, for example, employees in 1985 are offered an option on 1,000 shares currently selling for \$8.50 per share, they can exercise that option to purchase any time. Ten years from now, the stock could be selling at \$50, but employees could still have it for \$8.50. That means instant equity. If they wanted to, employees could sign over a portion of those shares to a broker to cover the costs of the purchase, and then acquire ownership without ever actually spending a dime.

This, Beauvais says, takes the place of a conventional pension plan. And with this arrangement, a wise employee would never need one.

Another innovative twist in the daily routine at America West is that there is no daily routine. Everyone—with the exception of pilots, navigators and the like—is on a job rotation that is determined month by month. The benefits are many. America West workers get experience in many different jobs, making them more knowledgeable, more adaptable within the system.

Beauvais foresaw that when free enterprise hit the industry, efficiency would suddenly become a critical matter of survival. Carriers with huge fleets of the older three-engine 727 were fuel inefficient, at a distinct disadvantage against competition flying the

much more thrifty 737, which just happens to have been Beauvais' choice. Beauvais is pressing home that advantage with 10 round trips daily between Tucson and Phoenix. America West caused havoc with the route when it entered the market, offering \$29 fares each way, forcing competitors to meet the lower rates. Now that trip is so affordable (the 20 minute travel time combined with the low fares actually make it cheaper to fly than to drive), business has sky-rocketed.

Beauvais sees more of the same coming in the future, and he wants to extend America West's low-fare market further up the California coast, to the north and to the east, too. They'll smartly stay west of the Mississippi River, and they'll stay out of Denver and Dallas. Beauvais regards United and American as "the two 800-pound gorillas, and we don't care to compete with them on routes they consider critical. We can grow and prosper and not have much impact on them," he says with a smile. "And we think it's important they know we are not a threat to them."

Not everything, of course, has been rosy. Routes to Palm Springs, Oklahoma City, Tulsa and Kansas City all proved to be bombs and were discontinued. Kansas City in particular bloodied the nose of the airline. "When we started that service, there were three flights on the route," Beauvais says, referring to competitors. "When we left, there were nine. The commitment, the resolve of our competition on that route just made it impossible for us to compete. So the fight we started there, we couldn't finish. However, in many markets, the fight we start we do finish. But you can't win them all."

On routes to Los Angeles, San Diego and Burbank, where America West and PSA go head to head, Beauvais says America West dominates, but concedes the fierce competition makes it difficult for the company to realize much profit on those routes. "We have a substantial confrontation with PSA," Beauvais says, "but only to the extent that they elect to serve Phoenix. If they make the right decision and decide to leave Phoenix, we wouldn't be competitive at all."

Making the right decision is something that, so far, the movers behind America West have managed to do enough to be carving a pretty impressive niche in an industry where not a few giants have come tumbling down. Beauvais himself, at this point, is looking much like a formidable business genius—a cool operator in a volatile environment.

Beauvais, however, would be the last to suggest he be cast in the role of miracle worker. Sure, it takes nerves of steel, a sharp mind and a futuristic vision. But Beauvais' style is less that of the slick hot-shot super-entrepreneur than a sure, steady logician who can be cautious and patient until his formulas and equations tell him the moment is perfect for a quantum leap—even when the experts and the money people back away at first. The approach may lack excitement, but the results are no less dramatic.

Ed Beauvais is a man with a plan, everything calculated in advance. He knows when and where to attack and when to refrain from battle. He's not cocky enough to overlook the pitfalls or to be crushed by setbacks. He knows there will always be plentiful opportunities for failure but also a lot of room in the winners circle for someone who knows how to do it right. ●

REAUTHORIZATION OF THE  
NEA, NEH, AND IMS

## HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. WEISS. Mr. Speaker, I would like to commend the House Interior Appropriations Subcommittee for its recent recommendation to increase funding for vital Federal cultural programs. On June 3, 1985, I testified in New York City at a joint hearing of two House Education and Labor Subcommittees in support of the proposed reauthorization of the National Endowment for the Arts, the National Endowment for the Humanities, and the Institute of Museum Services. My testimony follows:

TESTIMONY OF CONGRESSMAN TED WEISS, MARK  
GOODSON HALL, NEW YORK CITY

I want to thank the Subcommittee on Select Education and the Subcommittee on Postsecondary Education for the opportunity to join their distinguished panel for this hearing on reauthorization of the National Endowments for the Arts and Humanities and the Institute of Museum Services. I am here to express my support for increased funding of our federal cultural programs. I would also like to thank the Department of Cultural Affairs and its staff for its cooperation in this endeavor.

I commend Chairman Williams and Chairman Ford for their commitment to Federal support for the arts and humanities. Earlier this month, the House Education and Labor Committee reported H.R. 2245, legislation to reauthorize funding for the National Endowments and the Institute of Museum Services at such sums as may be necessary for fiscal year 1986. These agencies have been authorized for a period of 5 years in the past. This 1 year reauthorization, I understand, is designed to provide the Subcommittees sufficient time to examine how successfully the existing legislation is meeting present and coming changes in society that impact our expression, production, and reception of art. This is an especially important and appropriate task on this twentieth anniversary year of the National Endowment for the Arts. We are at a critical juncture in the history of public support for the arts.

For the fifth consecutive year, the Reagan administration is demonstrating its short sightedness in seeking to cut the budget of Federal cultural programs. The administration's fiscal year 1986 budget proposed major reductions in funding of arts programs that would seriously impair their operations. This year the Reagan administration has asked Congress to cut the budget of the National Endowment for the Arts and the National Endowment for the Humanities by 11.7 and 10 percent respectively, and put the Institute for Museum Services out of business. It would reduce the NEA to \$144.5 million which is significantly less than the \$163.7 million appropriated by Congress last year and would reduce the NEH budget to \$126 million from \$139.48 million.

This latest attack on our country's visual and performing artists, art purveyors and audiences, and cultural institutions is no surprise. The rationale for cutting remains

much the same as in previous years—to help reduce the deficit. Yet the fiscal year 1985 NEA budget only amounted to approximately .01 percent of the entire Federal budget for that year. Congress has battled the administration for the last 4 years in order to restore arts funding, and I am hopeful that we still possess the fortitude to continue this worthwhile effort. I am proud to be a part of the congressional membership that recognizes that Americans want our cultural life to flourish; we know that federal support is key to artistic vitality.

The arts community has never fully recovered from the Reagan Administration's drastic reductions of 1981. Public resources are already stretched. The Administration argues that the shortfall can be offset by increased private contributions. While the private sector has contributed tremendously in past years, it still has failed to fill the void these last 4 years. Many factors, such as individual gifts of high priced private works of art, tend to distort the overall picture of private giving.

Federal funds are truly the stamp of approval for the artist or arts group that serves to attract support from other funding sources. Federal arts funding acts as a catalyst, stimulating State, city, and private funding sources. Yet, this effect works in reverse too, with federal cutbacks spurring reductions in other funding sources. Moreover, struggles by arts groups to become more financially independent often prove counterproductive. The need for strenuous fundraising diverts energy from creative efforts. Higher admission prices shut out people on limited budgets, undermining one of the NEA's original purposes—to open the arts to a wider audience.

Even if the private sector could assume all the financial responsibility for the arts, it would not resolve all the problems created by Federal cutbacks. Private donors usually avoid supporting unusual or controversial efforts. We risk choking off spontaneity and innovation that are the lifeblood of artistic creativity when we depend too heavily on private funding. Our artists on the vanguard of creative development would be hardest hit of all.

I have the good fortune to represent the 17th Congressional District of New York, where a large number of musicians, writers, painters, actors, and artists of all disciplines reside and work. It is a privilege and an honor to represent one of the most artistically rich communities in the United States. New York's arts community would suffer if cuts are made in the federal arts budget, the largest single source of funding for the arts. The arts across this country would suffer too. Our arts community is made up of artists from all over this Nation, and it plays an important role in helping to set a pace for the development of the arts nationwide.

I am especially concerned about the overwhelming financial problems facing this nation's nonprofit theaters, many of which are located in my congressional district. Rising operating costs continue to outstrip increased revenues from private sources and box office receipts. Similar problems continue to afflict other areas of the arts, especially opera companies. Opera is a young field in this country, with many of the existing companies having been founded during the 1970's. Museums, too, are in financial trouble. The President proposes to eliminate the Institute for Museum Services, the Federal agency which provides assistance to museums across the country. This is the third time the administration has attempted to

put this agency out of business. This action would force numerous museums to cut services and programs.

The Lower Manhattan Cultural Council deals with small arts organizations that are on the cutting edge of the arts. Government funding is instrumental to their survival and any loss would have a disastrous effect on their stability. Yet their existence is one of the prime reasons that people are drawn to Soho and Tribeca and they have contributed greatly to the resurgence of Lower Manhattan.

Theatreworks USA would need to reduce their ability to provide free or low cost educational theatre and musicals to school children around the country without the help of the NEA.

For the Museum of American Folk Art State and Federal funding provide dollars which represent seed money for a project. And even a substantial arts organization like the Metropolitan Opera would have to curtail its radio broadcasts of live opera without this support.

Since the National Endowment for the Arts was created in 1976 it has provided \$131 million in challenge grants to 528 arts organizations and has generated matching funds of over \$1 billion.

The fact is that arts organizations have no place else to turn. If we are going to encourage and strengthen our nation's artistic and cultural life, then we absolutely must support modestly increased federal funding for the arts. I believe that such funding would constitute a wise economic decision, since we have repeatedly seen powerful evidence that the arts create jobs and invigorate business communities. Surveys, such as the 1984 Harris survey, "Americans and the Arts," continue to show that the American public is supportive of increased funding for the arts.

The arts industry has bolstered economic activity in New York City and has made a tremendous contribution to the vitality of the region. According to a 1983 study by the Cultural Assistance Center and the Port Authority of New York and New Jersey, its impact is conservatively measured at \$5.6 billion, benefiting not only arts institutions but also real estate, business and professional services, wholesale and retail trade, eating and drinking establishments, hotels and personal services, utilities, transportation, medical and educational services and finance and insurance.

The National Endowments' importance to this nation warrants their continued existence and increased funding in order to perform their vital missions. Providing greater access to the arts and humanities for all Americans is one of their most crucial responsibilities. I also encourage the subcommittees to consider emphasizing arts education and strengthening international cultural exchanges in the arts. Long-term economic stability for artists and arts institutions creates a climate in which creativity can flourish and public participation in the arts can thrive. I believe that this is one of the best investments that we can make in this nation's future. I urge the Subcommittees on Select Education and Postsecondary Education to authorize the necessary funds for the National Endowments for the Arts and Humanities and for the Institute for Museum Services.●

IN SUPPORT OF THE MILLER  
AMENDMENT TO H.R. 1555

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. WORTLEY. Mr. Speaker, terrorism is a continuing threat to the citizens and interests of the United States, as well as other nations around the world. Fanatical Shiite terrorism continues in the Middle East. Leftist guerrillas are stepping up terrorist activity in El Salvador and have promised to target U.S. Citizens. There appears to be an increase in mutual logistical and propaganda support among European terrorist groups attacking NATO-related targets. Narcoterrorism is a growing threat in Latin America.

U.S. citizens and U.S. interests are the targets of 30 to 35 percent of worldwide terrorist attacks.

In Greece, U.S. military personnel have been targeted repeatedly.

In December 1984, two Americans—auditors with the Agency for International Development—were murdered by extremist Shiites aboard a hijacked Kuwaiti airliner.

Last month, TWA flight 847 was hijacked by extremist Shiites. Passengers were terrorized, and Navy diver Robert Stethem was killed by Shiite extremists.

In San Salvador, anti-Government terrorists opened fire on customers at a sidewalk cafe, killing 30 people—including 6 Americans, 4 of whom were U.S. marines attached to the U.S. Embassy. They were in civilian clothes and unarmed.

These are only a few examples of the cost of the politics of terror.

The United States has been active in trying to prevent terrorism, but it is an ongoing struggle. We have to continue to review our policies and look for ways to improve them.

Because of its inherent elusiveness, terrorism is extremely difficult to prevent and to retaliate against. However, the Miller amendment to the foreign assistance authorization bill makes a significant contribution to the fight against terrorism. By prohibiting assistance to countries supporting international terrorism and by expressly prohibiting imports and exports involving Libya, it sends a clear message to the countries that harbor terrorists that we not only fully realize their complicity in international terrorism, but we are also willing to do something about it.

This amendment alone will not solve the problem of terrorism, but it is an important step in the right direction. ●

EXTENSIONS OF REMARKS

CONGRESSMAN BENNETT CALLS  
FOR STRENGTHENING NATO

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to call to my colleagues' attention the cogent and timely essay our distinguished colleague from Florida [Mr. BENNETT] recently wrote in the New York Times, entitled "Truman, the Bomb and Today's Peril."

Having served in Congress since 1949 and as a member of the Committee on Armed Services for 18 terms, Mr. BENNETT speaks with great authority about the modernization and sophistication of America's defense system, from the Hiroshima atomic bomb to cruise missiles and Trident submarines.

Mr. BENNETT realizes that NATO remains far behind the Warsaw Pact countries in military strength. We must take note of Mr. BENNETT's statements: "Compared to NATO, Warsaw Pact countries possess three times the number of battle tanks, twice the anti-tank artillery and armored personnel carriers. We are deficient, too, in fighters, bombers and anti-aircraft missiles."

He presents a compelling case for strengthening the conventional capacity of NATO forces as a means of preventing nuclear war.

Again, I commend the gentleman from Florida for his insightful analysis. His article provides fresh evidence of Mr. BENNETT's role as one of the most thoughtful and valuable Members of the House.

I am pleased to submit his essay for the RECORD:

[From the New York Times, July 2, 1985]

TRUMAN, THE BOMB AND TODAY'S PERIL

(By Charles Bennett)

WASHINGTON.—Forty years ago, America used two powerful bombs to end a bloody conventional war. But our leaders forswore, even then, the mixed blessings that would come from splitting the atom.

Four years later, President Truman sat across from me at a small dinner table in the Washington Hotel, a block away from the White House. It was an early spring evening in 1949, and, as a freshman Congressman, I had little reason to be so close to the President. I was there because Sam Rayburn, Speaker of the House of Representatives, invited me when he heard that Mr. Truman wanted to talk with a recent veteran of World War II. I was in a wheelchair, with a broken leg.

The President went directly to the point. He turned to me and spoke about the rightness of dropping the atom bomb. "I feel I was right in doing this," he said. "There would have been many more deaths on both sides if the bomb had not been used and if you soldiers had been forced to take the Japanese islands by amphibious assault."

He added: "You might have been one of them."

July 11, 1985

"Yes," I agreed, and went on to assure him that I felt he had done the right thing. However, because he had raised the question, it was clear that he was very concerned with the weapon's ominous future threat to all humanity. It was good to have the war over, but the cloud of that weapon posed a hellish forecast for human-kind! That is what the President strongly implied.

In the years that followed, there was a sense that America could police the world because of the monopoly we had on this weapon. But as time went on, the Soviet Union got the knowledge, and it now has many more nuclear weapons than do we.

On our side, our intercontinental ballistic missiles, the "Minute Man," and the upcoming MX are losing their value because they are very vulnerable to attack in fixed silos. But we also have some very capable delivery systems, such as the Trident submarines, our bombers, present and future, and the newly developing cruise missiles deliverable from land, sea or air.

In short, we have come a long way from the evening when President Truman and I spoke of one bomb and the destruction of one city. Now we talk of thousands of bombs destroying hundreds of cities. One MX missile alone has the strength of 360 Hiroshimas!

At the same time, however, this extraordinary growth in our nuclear arsenals has not fundamentally changed our perceptions of our ability to keep the peace. We see ourselves as a nation that can, because of our retaliatory capacity, prevent a devastating world war. The realities are otherwise.

We have been repeatedly and publicly advised last year and this year by Gen. Bernard Rogers, who heads our North Atlantic Treaty Organization forces in Europe, that we cannot prevent the Russians from winning a conventional war in Europe—and that such a war would be all over in a matter of days. Faced with this reality, we would be tempted to turn to nuclear weapons almost immediately. And we would have to assume that the Russians would reply with their own awesome nuclear arsenal.

Nobody can win such a nuclear war! Consider the irony: The United States, a nation that prides itself on moral values, would perpetrate the greatest of immoralities. Even the President has said it: It is our policy to go to nuclear weapons in the face of a conventional Soviet attack in Europe.

What is needed is a decision by the NATO alliance that the ability to win a conventional war in Europe is essential. It will not be cheap. Compared to NATO, Warsaw Pact countries possess three times the number of battle tanks, twice the anti-tank artillery and armored personnel carriers. We are deficient, too, in fighters, bombers and anti-aircraft missiles. Yet whatever the cost, we must put ourselves in a position to win a conventional war in Europe or at least delay the moment when we must turn to nuclear weapons from a few days to a few months. Maybe with such a time stretch, the leaders on both sides could prevent a nuclear war.

When Mr. Truman was President and when we had a monopoly on nuclear weapons, it was credible to say that in case of aggression we would stop it by nuclear weapons. But is it now credible to think that a President would launch a nuclear war that he could not win? I think not.

The truth is that we are living in the past, still confident in our belief that the nuclear threat is sufficient. But we are in no position to deliver on that threat, because no one can win a nuclear war. The greatest

challenge facing our country, therefore, is not the deficit. It is to put NATO in a position to win a conventional war in Europe. Our own security and the security of the free world depends on how we meet that challenge.●

### EL SALVADOR'S MARXIST-LENINIST GUERRILLAS: TERROR AND LAUGHTER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1985

● Mr. MICHEL. Mr. Speaker, it is scarcely credible that civilized human beings would teach little children to sing happy songs which poke fun at the killing of four fellow humans. But such is the case with the Marxist-Leninist guerrillas in El Salvador. According to the New York Times, a guerrilla, dressed as a clown, sang a "ditty," a "happy song," about shooting four members of the Army of El Salvador. When the song was finished one of the rebels said to the children: "Now that is really happy."

These are the people we have been told by critics of the administration should be allowed power-sharing or total control in El Salvador. These are the people who murdered four American Embassy guards in cold blood and then boasted about it and said there would be much more.

Recently the Marxist-Leninist guerrillas played host to a group described by the Times as "liberal Americans from California." We await with great interest to see exactly what these "liberal Americans" will have to say about the lies they were told, the Potemkin village atmosphere and the unapologetic commitment of the rebels to terror, kidnaping and the sacreligious abuse of religion (the rebels sing hymns asking Jesus Christ to identify himself with the Marxist-Leninists).

At this point I wish to insert in the RECORD "Salvador Rebel Vows to Spread War" and "The Rebels Give Show in Salvador" by James LeMoyné, in the New York Times, July 7 and July 8, 1985.

#### THE REBELS GIVE SHOW IN SALVADOR

(By James LeMoyné)

PERQUIN, EL SALVADOR, July 5.—Peasants carried signs condemning aerial bombing, a revolutionary priest spoke of "the oppressed" and guerrillas dressed as clowns pranced through political skits before a crowd of young children.

The setting was this small, often-fought-over village, which is the center of leftist rebel operations in northeastern El Salvador. A delegation of Americans arrived here Thursday at the invitation of the rebel high command to meet both guerrilla leaders and the local population.

The unusual encounter offered an insight into the complexity and bitterness of a civil war that defies the simple black and white descriptions so often given by Government and rebel officials.

#### SOMETHING REALLY HAPPY

In the center of the town square a rebel clown clapped and chortled that he wanted to hear a "happy song, something really happy." Another clown quickly agreed and broke into a ditty about the four senior army officers killed when rebels in the area blew up their helicopter last year.

The next verse began, "Hey Ronald Reagan, the guerrillas downed a little plane the other day, and in it were three agents of the C.I.A., ha ha ha ha ha ha."

"Now that really is happy," the first clown said, telling the children to sing along.

As soon as the American visitors rolled into town, 126 miles northeast of San Salvador, the capital, more than 300 peasants walked around a corner chanting slogans broadcast by two men with microphones reading from a script: "Bombs no, medicine yes, bombs no, schools yes."

#### WAR'S END IS THEIR HOPE

The peasants followed along, but one group got mixed up and began chanting, "Bombs no, medicine no, schools no," until corrected by a leader.

Asked why they had walked in from all over the northern part of the department of Morazan, several peasants said they had been told by the rebels to demonstrate for the visitors. But they also fervently expressed a hope that the war would soon end.

The rebel Farabundo Martí National Liberation Front has made aerial bombardment by the Salvadoran Air Force a centerpiece of its propaganda against the Government of President of José Napoleón Duarte. The Salvadoran Air Force has bombed towns and killed civilians several times in the past, but the Government has asserted that new rules of engagement have sharply reduced civilian casualties.

#### NO RECENT CASUALTIES

The peasants in this region, which suffered heavy and indiscriminate bombardment in 1983, seemed to back up the Government's contention. Villagers from Meanguera, San Fernando, Perquin and Sabanetas all said that while the air force had bombed in the area, they knew of no civilian casualties from air attack in the last year.

But two peasants said that in the village of Volcancillo two months ago a strafing run had narrowly missed members of a peasant family hiding in their home. Other stories of near-misses indicated that bombing near civilian areas still goes on frequently enough to badly scare villagers.

But peasants did not criticize only the Government. They spoke instead of a war they cannot escape that leaves them caught between two armed forces, each of which claims to be fighting for them.

"We want to be independent, not with one side or the other," said Alcides Sorto, 33 years old, from Sabanetas. His wish was not granted this month.

According to Mr. Sorto and three other villagers from Sabanetas, 18 miles north of Perquin, the army forced them to leave their homes three weeks ago because they were near a guerrilla camp. But when they tried to take away their possessions, the villagers said, the guerrillas kept them from doing so, saying they had to return to Sabanetas. The guerrillas also required the male villagers to work on roads and raise crops for the rebels one day a week, they said.

The delegation of Americans came from southern California, representing private groups concerned about the war in El Salva-

dor. The opportunity to judge what was happening in El Salvador proved not to be so simple on a one-day visit to a rebel-held town with rebel guides.

A guerrilla supporter took the delegates on a tour of houses reportedly destroyed by the air force. There was no shortage of examples. A number of buildings in Perquin appeared to have been bombed by the Government over a year ago in attacks that drove out the civilian population and did nothing to endear the army to the villagers.

#### REBEL FILM TEAM ON HAND

But the first building the rebel guide showed the visitors was the mayor's office, a perforated heap of rubble. Bombs had destroyed the office, the guide said. He made no mention of the current rebel campaign to burn mayors' offices around the country in which over 30 buildings have been destroyed, the last one two days ago.

When a rebel soldier standing guard nearby was asked about the "bombed" mayor's office in Perquin, he told reporters that in fact the guerrillas had blown the building to pieces in 1982 in an attack on the army unit stationed there. The American delegation checked the rebel's account and found it to be true.

A rebel camera team filmed the peasants' demonstration and the arrival of the American visitors, which one rebel with a loudspeaker called "a great gain" for the guerrillas.

#### REBEL CHIEF GIVES INTERVIEW

Joaquin Villalobos, the senior military commander of the Farabundo Martí National Liberation Front, referred to the Government's "extermination" of rebel supporters in the capital in 1980 and 1981 as a justification for the war he is generally credited with planning and helping sustain.

It was the first interview Mr. Villalobos had granted American reporters and one of the few he has ever given.

Time, he said, was on the side of the rebels and there was nothing the Reagan Administration could do about that.

"What does the Administration plan to do when it is just a year before its term is up and El Salvador is not settled?" he asked. "What plan will they propose? Send troops?"

#### SALVADOR REBEL VOWS TO SPREAD WAR

(By James LeMoyné)

PERQUIN, EL SALVADOR, July 5.—The senior military commander of the Salvadoran rebel movement vowed today that the guerrillas would carry their attacks to the capital of San Salvador and spread the war to every part of the country. He said the new attacks would make El Salvador ungovernable within the next year.

The commander, Joaquin Villalobos, added in an interview with a group of American reporters that the rebels now considered the Reagan Administration their principal enemy for having supported the Salvadoran Army and Government. He and other rebel commanders defended the rebels' decision to kill four United States marines here two weeks ago and indicated that American military officials would continue to be attacked.

"Our strategy has to be based in defeating the resistance and the capacity of the Reagan Administration to continue supplying the Salvadoran Army," Mr. Villalobos said. "If we succeed on this issue, we win the war."

Mr. Villalobos, who has long been considered the most effective military strategist on either side of the conflict, outlined what he said was the new guerrilla strategy of a war of attrition: breaking the rebels into small units that will spread across the country and begin a campaign of sabotage, assassination and ambushes, backed by the increased use of mines and booby traps.

#### REBELS' AIM OUTLINED

The strategy, Mr. Villalobos said, is to force the army to be everywhere at once, to bleed the economy to the point of collapse and to destabilize the Government. He said it came in response to improved army performance and increased firepower.

Mr. Villalobos was accompanied by Jorge Shafik Handal, head of the Salvadoran Communist Party, and senior officials of each of the five guerrilla groups that make up the rebel military Farabundo Marti National Liberation Front, now in its fifth year of war here.

It was the highest level rebel delegation to have given an interview to journalists. Mr. Villalobos said the guerrillas had chosen to talk to the press because they wanted to make their views known at this time. The visit comes at a time when the rebels have appeared to be weakening militarily and politically.

Mr. Villalobos said a recent campaign to burn local government offices and kidnap mayors would continue in areas where the rebels often operate.

"On what logical basis do they pretend that they would like to continue having political power in areas where they have no military power?" he said.

"We are at war; there are two belligerent forces," he added, repeating past arguments by rebel officials that the Salvadoran Government must recognize the guerrilla army as a force equal to the Salvadoran Army. President José Napoléon Duarte has refused to accept the argument, demanding instead that the rebels lay down their arms and run in elections.

Other rebel officials said the guerrillas would also step up political work in the countryside and in urban trade unions to try to convince the Salvadoran people that President Duarte cannot successfully govern the country or improve living standards.

#### DOMINATES THE INTERVIEW

Mr. Villalobos, who is thought to be 33 years old, dominated the interview and was deferred to by other guerrilla officials in a manner that appeared to confirm his role as the top military strategist and commander of the rebel front. He wore a khaki shirt, camouflage hat and stainless steel Rolex watch that he said was a gift from a friend.

The Salvadoran Army has repeatedly tried to kill Mr. Villalobos and announced two months ago that it had done so. At the time, Mr. Villalobos called the announcement "premature."

The journalists accompanied a delegation of liberal Americans from California to rebel headquarters in this town in the heart of a war zone 126 miles northeast of the capital. A major army operation ended in the area two weeks ago.

The Salvadoran Government was informed of the American delegation's wish to talk to the rebel commanders and the group was subsequently permitted to pass through several army checkpoints without difficulty, in sharp contrast to other visits to rebel areas in which the army attempted to keep journalists out. A member of the American delegation, Armando Navarro, said the Government had been asked to allow the trip to go forward as a gesture for peace through greater understanding.

#### U.S. WITHDRAWAL DEMANDED

But Mr. Villalobos's statements and recent rebel assassinations and kidnappings indicate that the prospects for a negotiated end to the civil war are weaker than ever. It appears instead that a long and bitter fight lies ahead in which the prolongation of the war is a greater objective to the rebels than decisive military victories.

Mr. Villalobos said the guerrillas' top proposal now in peace talks with the Government was an end to "North American intervention in El Salvador."

When asked what his minimum condition was for the rebels to lay down their arms, he looked surprised. He then responded with emotion. "We have no condition for laying down our arms because we are not prepared to give up our guns ever."

Mr. Villalobos's statements and seeming conviction indicated that recent rebel terrorist attacks may be a sign of the guerril-

las' determination to increase the cost of war, rather than an indication of growing desperation in the face of improved army performance, as has been suggested.

Mr. Villalobos and other rebel commanders seemed highly aware of the political cost of such attacks. But they said they believed Mr. Duarte's Government was fragile and could not withstand a prolonged war.

The rebels spared no effort to impress the American visitors, providing ample meals of steak, fresh orange juice and baked bread, as well as beds, a video television screen and trucks for transportation.

A well-known revolutionary priest, Miguel Ventura, offered a mass in the local, bullet-pocked church. A rebel chorus sang hymns of liberation theology. The first song began: "Christ, Christ Jesus, identify yourself with us. Have solidarity with us, not with the oppressor class, with us."

The rebels' efforts appeared designed to demonstrate their ability to maintain control in the area despite repeated army sweeps. Although such a propaganda purpose was evident, the amount of equipment and amenities the rebels displayed indicated that they were not the broken force on the verge of desertion that Government propaganda and American officials occasionally depict them as being.

#### 'DON'T SEE THIS AS A SIN'

When asked if he and other rebel commanders would describe themselves as Marxists, Mr. Villalobos refused to answer directly, saying the question reflected the effort of the Reagan Administration to define the war here as part of the East-West struggle.

But then, using the initials of political and military coalition, he said, "The F.M.L.N.-F.D.R. says, yes there are Marxist-Leninists here, but we don't see this as a sin."

Mr. Villalobos and Mr. Handal said that only United States aid had prevented the guerrilla forces from defeating the Salvadoran Army two years ago, an assessment that has been expressed privately by several American analysts. The rebel commanders contended, therefore, that they had to consider the Reagan Administration as part of the war effort, making American military advisers legitimate targets of attack. ●