Joint Committee on Oceanic and Atmospheric Programs; to the Committee on Rules.

By Mr. WIDNALL:

H.J. Res. 780. Joint resolution to provide for a temporary extension of the authority conferred by the Export Control Act of 1949; to the Committee on Banking and Currency.

By Mr. ZWACH:

H.J. Res. 781. Joint resolution proposing an amendment to the Constitution of the United States to preserve to the people of each State power to determine the composition of its legislature and the apportionment of the membership thereof in accordance with law and the provisions of the Constitution of the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

219. By the SPEAKER: Memorial of the Legislature of the State of Alaska, relative to the prevention and control of fires in rural areas; to the Committee on Agriculture.

220. Also, a memorial of the Legislature of the State of Louisiana, relative to reestablishment of the U.S. Weather Station at Alexandria, La.; to the Committee on Interstate and Foreign Commerce.

221. Also, a memorial of the Legislature of the State of Oregon, relative to the direct popular election of the President; to the Committee on the Judiciary.

222. Also, a memorial of the Legislature of the State of Louisiana, relative to Federal financing of welfare and public assistance programs; to the Committee on Ways and Means.

223. Also, a memorial of the Legislature of the State of Minnesota, relative to limiting the right of nonfarm corporations and individuals to write off farm losses against nonfarm profits for Federal income tax purposes; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MAILLIARD:

H.R. 12173. A bill for the relief of Mrs. Francine M. Welch; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 12174. A bill for the relief of Maria Concetta Lettera; to the Committee on the Judiciary.

H.R. 12175. A bill for the relief of Pasquale Siconolfi; to the Committee on the Judiciary.

By Mr. OLSEN:

H.R. 12176. A bill for the relief of Bly D. Dickson, Jr.; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 12177. A bill for the relief of Dr. Jose Agenda Vivo Paz; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.R. 12178. A bill for the relief of George W. Hardin; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 12179. A bill for the relief of Rafael Rueda-Lopez; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

143. By the SPEAKER: Petition of Wendell B. Moore et al., Baton Rouge, La., relative to seniority rights of Hon. John R. Rarick; to the Committee on House Administration.

144. Also, petition of Ron deLugo, Washington, D.C., relative to constitutional self-government for the people of the Virgin Islands; to the Committee on Interior and Insular Affairs.

145. Also, petition of the City Council, Philadelphia, Pa., relative to designating the birthday of the late President John F. Kennedy a legal national holiday; to the Committee on the Judiciary.

146. Also, petition of the County Board of Directors, Beaufort County, S.C., relative to taxation of State and local government securities; to the Committee on Ways and Means.

147. Also, petition of the City Council, Franklin, Va., relative to taxation of State and local government securities; to the Committee on Ways and Means.

SENATE—*Monday, June 16, 1969*

The Senate met at 12 o'clock noon, and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of all power and might, the Maker and Ruler of men, accept the love of our hearts and the service of our minds, as we seek to help all men come to fullness of life. Give us grace and wisdom to maintain the freedoms won by our fathers. Uphold us in the high resolve that government and industry and education shall faithfully minister to the people's well-being and to strengthening the foundations of the Republic.

Direct us this day, O Lord, in all our doings with Thy most gracious favor, and further us with Thy continual help, that in all our works begun, continued and ended in Thee, we may glorify Thy holy name, and finally, by Thy mercy, obtain everlasting life; through Jesus Christ our Lord. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, June 12, 1969, be dispensed with.

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

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of June 12, 1969, the Secretary of the Senate, on June 13, 1969, received messages in writing from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(For nominations received on June 12, 1969, see the end of the proceedings of today, June 16, 1969.)

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the Legislative Calendar, under rule VIII, be dispensed with.

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

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

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

CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 219 and the succeeding measures in sequence.

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

PROVISION OF ADDITIONAL FUNDS FOR THE COMMITTEE ON APPROPRIATIONS

The resolution (S. Res. 204) to provide additional funds for the Committee on Appropriations was considered and agreed to, as follows:

S. RES. 204

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Ninety-first Congress, $35,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

AUTHORIZATION FOR THE PRINTING OF THE REPORT ENTITLED "EFFECT OF LUMBER PRICING AND PRODUCTION ON THE NATION'S HOUSING GOALS" AS A SENATE DOCUMENT

The Senate proceeded to consider the resolution (S. Res. 206) authorizing the printing of the report entitled "Effect of Lumber Pricing and Production on the Nation's Housing Goals" as a Senate document, which had been reported from the Committee on Rules and Administration with an amendment, in line 3, after the word "Lumber" strike out "Pricing and Production" and insert

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"Prices and Shortages"; so as to make the resolution read:

S. RES. 206

Resolved, That the report of the Subcommittee on Housing and Urban Affairs of the Committee on Banking and Currency entitled, "Effect of Lumber Prices and Shortages on the Nation's Housing Goals" be printed with an illustration as a Senate document, and that there be printed one thousand additional copies of such document for the use of that committee.

Amend the title so as to read: "A resolution authorizing the printing of the report entitled 'Effect of Lumber Prices and Shortages on the Nation's Housing Goals' as a Senate document."

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–229), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD,

[illegible] on 206 would provide that [illegible] the Subcommittee on Housing [illegible] Affairs of the Committee on Banking and Currency entitled "Effect of Lumber Pricing and Production on the Nation's Housing Goals" be printed with an illustration as a Senate document, and that there be printed 1,000 additional copies of such document for the use of that committee.

At the request of the Committee on Banking and Currency, the Committee on Rules and Administration has amended Senate Resolution 206 to effect a minor change in the title of the report to be printed. The title of the resolution itself also has been appropriately amended.

The printing-cost estimate, supplied by the Public Printer, is as follows:

Printing-cost estimate

To print as a document (1,500 copies)	$1,984.21
1,000 additional copies, at $137.73 per thousand	137.73
Total estimated cost, Senate Resolution 206	2,121.94

The title was amended, so as to read: "A resolution authorizing the printing of the report entitled 'Effect of Lumber Prices and Shortages on the Nation's Housing Goals' as a Senate document."

AUTHORIZATION FOR THE PRINTING OF THE 1968 ANNUAL REPORT OF THE NATIONAL FOREST RESERVATION COMMISSION AS A SENATE DOCUMENT

The resolution (S. Res. 207) authorizing the printing of the 1968 Annual Report of the National Forest Reservation Commission as a Senate document was considered and agreed to as follows:

S. RES. 207

Resolved, That the Annual Report of the National Forest Reservation Commission for the fiscal year ended June 30, 1968, be printed with an illustration as a Senate document.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the Report (No. 91–230), explaining the purposes of the resolution.

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

Senate Resolution 207 would provide that the Annual Report of the National Forest Reservation Commission for the fiscal year ended June 30, 1968, be printed with an illustration as a Senate document.

The printing-cost estimate, supplied by the Public Printer, is as follows:

Printing-cost estimate

To print as a document (1,500 copies)	$1,806.96

REVISION OF THE PAY STRUCTURE OF THE POLICE FORCE OF THE NATIONAL ZOOLOGICAL PARK

The bill (H.R. 2667) to revise the pay structure of the police force of the National Zoological Park, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91–231) explaining the purpose of the bill.

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

H.R. 2667 is identical in text to S. 883, which was introduced by Senator B. Everett Jordan on February 4, 1969, and the same date referred to the Committee on Rules and Administration.

H.R. 2667 would revise the pay structure of the police force of the National Zoological Park. Specifically, it would (1) remove all positions in that police force from the classification system of the Civil Service Commission, and (2) confer upon the Secretary of the Smithsonian Institution authority, with certain limitations, to fix salaries for all such positions.

The relatively low pay scales authorized for its 32-man police force have presented the National Zoological Park with grave difficulties in recruiting police and retaining an adequate force. The Smithsonian Institution, the parent organization of the Zoological Park, consequently has requested the Congress to approve a higher salary structure for the zoo police. In support of its request, the Smithsonian has pointed to the changing pay picture in the area, wherein pay scales for police organizations in the District of Columbia and surrounding municipalities have been substantially increased. Currently, zoo police privates are classified in grade GS–5, sergeants in GS–6, lieutenants in GS–7, and the captain in GS–8 of the Classification Act's pay scale.

While H.R. 2667 removes the zoo police from the Classification Act, it does retain the monetary scales of that act as a measure for compensation. On such basis it increases each zoo police position by two grades. The increased salaries which could be authorized are as follows:

PROPOSED SALARY RATES FOR THE NATIONAL ZOOLOGICAL POLICE

	Step				
	1	2	3	4	5
Private, GS–7	$6,981	$7,214	$7,447	$7,680	$7,913
Sergeant, GS–8	7,699	7,956	8,213	8,470	8,727
Lieutenant, GS–9	8,462	8,744	9,026	9,308	9,590
Captain, GS–10	9,297	9,607	9,917	10,227	10,537

H.R. 2667 is supported by the Smithsonian Institution. It is opposed by the Civil Service Commission.

There is no doubt that the salaries currently payable at the National Zoological police force are considerably lower than those payable to other police organizations in the District of Columbia. The need for salary adjustments is quite obvious. The Committee on Rules and Administration is of the opinion that H.R. 2667 offers what appears to be a satisfactory adjustment, even though the proposed scales are still lower than comparable scales paid in the District of Columbia and on the Hill. There has been considerable interest evidenced by Members of Congress in taking appropriate action in this matter. Accordingly, favorable action on H.R. 2667 is urged.

EXPRESSION OF THE SENSE OF CONGRESS ON PARTICIPATION IN THE NINTH INTERNATIONAL CONGRESS ON HIGH SPEED PHOTOGRAPHY

The concurrent resolution (S. Con. Res. 12) to express the sense of Congress on participation in the Ninth International Congress on High Speed Photography, to be held in Denver, Colo., in August 1970, was considered and agreed to, as follows:

S. CON. RES. 12

Whereas high-speed photographic techniques can magnify the time scale of scientific phenomena revealing parameters for research, engineering, and testing that are extremely important to every nation; and

Whereas the First and Fifth International Congresses on High Speed Photography were held in the United States of America, as organized and conducted by the Society of Motion Picture and Television Enginers; and

Whereas the Fifth International Congress on High Speed Photography in 1960 was supported by the Federal Government, as expressed in the S. Con. Res. 75 in 1959; and

Whereas other meetings were held in Paris, London, Cologne, The Hague, Zurich, and Stockholm, and in each instance these meetings have received the recognition and the support of the governments of the respective host countries; and

Whereas with each meeting the International Congress on High Speed Photography has grown in prestige and stature, and attracts more countries in a continuing growth pattern; and

Whereas the importance of high-speed photography is reflected in nearly all of the physical sciences, including medical, biological, space and many other fields; and

Whereas the Society of Motion Picture and Television Engineers is once again sponsoring the International Congress on High Speed Photography in Denver, Colorado, in August 1970 and is desirous of representing the United States of America as the host country in the best possible light; and

Whereas the Congress is fully appreciative of the importance of assuring this international scientific meeting is conducted in a manner which will bring credit and enhanced prestige to the United States of America; and

Whereas it is the belief of the Congress that—

(1) the democratic environment of the free world is the best environment for the achievement in science; and

(2) scientists and engineers have special advantages and opportunities to assist in achieving international understanding since the laws and concepts of science cross all national and ideological boundaries; and

(3) high-speed photography is a universal tool in science, important to nearly all sciences internationally, and the International Congress on High Speed Photography is an

excellent means of disseminating the advances in technology; and

Whereas the Congress is interested in (1) promoting international understanding and good will; (2) enhancing the excellence of American sciences, both basic and applied, and (3) furthering international cooperation in science and technology by creating the necessary climate for effective interchange of ideas: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that all interested agencies of the Federal Government should participate actively to the greatest practicable extent in the Ninth International Congress on High Speed Photography to be held in Denver, Colorado, in August 1970, under the sponsorship of the Society of Motion Picture and Television Engineers.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 91-232), explaining the purposes of the concurrent resolution.

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

PURPOSE OF THE RESOLUTION

Senate Concurrent Resolution 12 expresses the sense of the Congress that all interested agencies of the Federal Government should participate actively to the greatest practicable extent in the Ninth International Congress on High-Speed Photography, which will be held in Denver, Colo., in August 1970. No appropriation of Federal funds is authorized or contemplated in connection with this resolution.

BACKGROUND

Realizing the importance of high-speed photography in the ever widening periphery of science on an international basis, the First International Congress on High-Speed Photography was held in Washington, D.C., in October 1952, under the sponsorship of the Society of Motion Picture & Television Engineers. This is a nonprofit organization originally founded in 1916 as the Society of Motion Picture Engineers and the field of television was added in 1950. The first Congress was attended by scientists and engineers from a number of countries in addition to a large U.S. membership.

Subsequent Congresses were held in Paris in 1954, London in 1956, Cologne in 1958, Washington in 1960, The Hague in 1962, Zurich in 1965, and Stockholm in 1968.

With each meeting, the International Congress on High-Speed Photography has grown in stature and prestige, and is ever influencing additional countries who are now realizing the significance of these meetings.

GENERAL STATEMENT

High-speed photography and associated instrumentation techniques may be classed among the newer sciences for the analysis of motion and recording of data. There are thousands of high-speed cameras in use today where there were practically none in use 30 years ago. New applications in industrial research and development, in science, and in the military agencies are being found daily.

This ability to magnify time is an invaluable tool for the scientist and engineer, not only in the vital area of national defense, but in practically every phase of everyday living as well. The efficient combustion of gasoline in our modern high-compression engines, complex interaction of the parts of our high-speed machines, the dependable operations of our automatic dial telephones are but a few of the many problems in which high-speed photographic instrumentation has played a major role. Aircraft designers depend heavily on high-speed photographic instrumentation to study mechanical, electrical, and aerodynamic problems. The aircraft propeller was perfected as a result of high-speed photography study. Jet engines are being studied for burning characteristics, temperatures, and other parameters in order to make them more efficient and powerful.

In the field of medicine, high-speed photography has been used for studies of the heart, larynx, eardrum, and for the study of muscular reaction rates and bodliy function. The use of high-speed microphotography in the studies of the blood represents a major research breakthrough.

COMMITTEE CONSIDERATION

Your committee reported a similar resolution, Senate Concurrent Resolution 75 (86th Congress), when the International Congress last met in the United States in 1960.

Your committee has received no objections to adoption of Senate Concurrent Resolution 12.

CONCLUSION

High-speed photography continuously increases in complexity, as well as importance in our world, since each year its application to science goes forward at an accelerated pace. As a tool in science, high-speed photography is constantly alerted to the needs in the study of the whole universe in its infinite space or infinitesimal objectivity. Fundamental data in many fields or research throughout the world require observations and measurements that would be impossible without the unilateral growth in high-speed photographic techniques.

The Society of Motion Picture & Television Engineers is once again sponsoring the International Congress on High-Speed Photography to be held in Denver, Colo., August 1970, for the ninth Congress in the series. The SMPTE is fully appreciative of the importance of assuring that this international scientific meeting is conducted in a manner which will bring credit and enhanced prestige to the United States as the host nation.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

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

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries.

PREPARING FOR THE FUTURE OF AIR TRANSPORTATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 91-130)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce:

To the Congress of the United States:

PREPARING FOR THE FUTURE OF AIR TRANSPORTATION

Years of neglect have permitted the problems of air transportation in America to stack up like aircraft circling a congested airport.

The purpose of air transportation is to save time. This purpose is not served when passengers must wait interminably in terminals; when modern jet aircraft creep at five miles per hour in a long line waiting for takeoff; when it takes longer to land than it takes to travel between cities; or when it takes longer for the air traveler to get to an airport than it does to fly to his destination.

In the tenth year of the jet age, more intercity passenger miles were accounted for by air than by any other mode of common carriage. In 1968, scheduled airlines logged over 150 million passenger trips, triple that of a decade ago; at the same time, the non-airline aircraft fleet almost doubled and the use of air freight quintupled. That rate of increase is likely to continue for the next [illegible] can be accommodated [illegible] for it now.

The growth in the next decade must be more orderly. It must be financed more fairly. It must be kept safe. And it must not permit congestion and inadequate facilities to defeat the basic purpose of air transportation: to save time.

Air travel is a convenience hundreds of thousands of people take for granted—a means of commerce that millions depend upon for their goods and services. In a nation as large as ours and in a world grown suddenly small, flight has become a powerful unifying force. The ability to transport people and products by air—safely, surely and efficiently—is a national asset of great value and an international imperative for trade and travel.

That ability is being challenged today by insufficiencies in our nation's airports and airways. The demand for aviation services is threatening to exceed the capacity of our civil aviation system. Unless relieved, this situation will further compromise the convenience of air transportation, erode its efficiency—and ultimately—require more regulation if the enviable safety record of the airplane as a means of public and private transportation is to be preserved.

The challenge confronting us is not one of quality, or even of technology. Our air traffic control system is the best in the world; our airports among the finest anywhere. But we simply do not have the capacity in our airways and airports ample to our present needs or reflective of the future.

Accordingly, the Secretary of Transportation is submitting to the Congress today legislative proposals to provide the resources necessary to the air transportation challenges facing us. These proposals are responsive to the short-term as well as the long-range opportunities for civil aviation progress.

IMPROVING OUR AIRWAYS

To provide for the expansion and improvement of the airway system, and for a high standard of safety, this Admin-

istration proposes that *the program for construction of airways facilities and equipment be increased to about $250 million annually* for the next ten years. This is in sharp contrast to the average of $93 million appropriated in each of the past ten years, and is responsive to the *substantial expansion in the operation and maintenance of the air traffic system in the next decade.*

While this will provide for the needs of the '70s, development for the 1980s and beyond cannot be neglected. Technology is moving rapidly and its adaptation to provide future solutions must keep pace. Consequently, this program includes a provision for a doubling of development funds.

BUILDING AND IMPROVING AIRPORTS

The proposed airport program consists of both an expanded planning effort and the provision of additional Federal aid for the construction and improvement of airports. The airport systems planning we contemplate at both the Federal and local level will begin a new era of Federal, State and local cooperation in shaping airport development to meet national and local needs.

I propose Federal aid for airport development in fiscal 1970 of $180 million and in fiscal 1971 of $220 million, with continued expansion leading to a total of two and one-half billion dollars in the next ten years. Together with matching grants on a 50–50 basis with State and local governments, this strongly increased program will permit financing of *five billion dollars in new and expanded airfield facilities.*

The proposed fiscal year 1970 program of $180 million would help finance the development of airfield facilities, the conduct of airport systems planning, and airport planning and development activities carried on by States.

Of the $180 million.

—$140 million would be available for grants to air carrier and general aviation airports, with a primary objective of alleviating congestion in the most heavily used air terminals.

—$25 million in grants would be available to aid in the development of airfields used solely by general aviation.

—$10 million would be available in grants to planning agencies to assist them in conducting airport systems planning.

—$5 million would be available for grants to States to carry on airport planning and development activities.

Airport terminal buildings are a responsibility of local airport authorities. The Administration's legislative proposal suggests ways in which those authorities can meet that responsibility.

IMPROVING THE ENVIRONMENT OF TRANSPORTATION

In all planning for airways and airports, it will be the policy of this Administration to consider the relation of air transportation to our total economic and social structure.

For example, existing jetports are adding to the noise and air pollution in our urban areas. New airports become a nucleus for metropolitan development. These important social and conservation considerations must be taken into greater account in future air systems development.

In addition, airport planners must carefully consider the opportunity for business growth and the availability of labor supply. The presence of airport facilities is both a follower of and a harbinger of business and job development.

Most important, government at all levels, working with industry and labor, must see to it that all aviation equipment and facilities are responsive to the needs of the traveler and the shipper and not the other way around. Transportation to airports, whether by public conveyance or private vehicle, is as much a part of a traveler's journey as the time he spends in the air, and must never be viewed as a separate subject. A plane travels from airport to airport, but a person travels from door to door. I have directed the Secretary of Transportation to give special attention to all the components of a journey in new plans for airways and airports improvements.

FINANCING AIR TRANSPORTATION FACILITIES

The Federal Government must exert new leadership in the development of transportation, in the integration of the various modes, and in supporting programs of national urgency.

However, the added burden of financing future air transportation facilities should not be thrust upon the general taxpayer. The various users of the system, who will benefit from the developments, should assume the responsibility for the costs of the program. By apportioning the costs of airways and airports improvements among all the users, the progress of civil aviation should be supported on an equitable, pay-as-we-grow basis.

At present, the Treasury obtains revenues, generally regarded as airways user charges, from airline passengers who pay a five per cent tax on the tickets they buy, and from the operators of aircraft who pay a tax at the effective rate of two cents a gallon on aviation gasoline. The revenues obtained from these taxes are not applied directly to airways expenditures. They are either earmarked for other purposes or go into the general fund of the Treasury.

I propose that there be established a revised and expanded schedule of taxes as follows, the revenues from which would be placed in a Designated Account in the Treasury to be used only to defray costs incurred in the airport and airway programs:

—A tax of eight percent on airline tickets for domestic flights.

—A tax of $3 on passenger tickets for most international flights, beginning in the United States.

—A tax of five per cent on air freight waybills.

—A tax of nine cents a gallon on all fuels used by general aviation.

This new tax schedule would generate about $569 million in revenues in fiscal year 1970, compared with the revenues of $295 million under existing taxes.

To sum up:

—For the airline passenger, the proposed legislation would save his time and add to his safety.

—For the air shipper, it would expedite the movement of his goods, thereby permitting him to improve his services.

—For the private aircraft owner, it would provide improved facilities and additional airports.

—For the airline, it would permit greater efficiencies and enable the carrier to expand its markets by providing greater passenger convenience.

In short, the airways and airports system which long ago came of age will come to maturity. Those who benefit most will be those who most bear its cost, and the Nation as a whole will gain from aviation's proven impetus to economic growth.

The revenue and expenditure programs being proposed are mutually dependent and must be viewed together. We must act to increase revenues concurrently with any action to authorize expenditures; prudent fiscal management will not permit otherwise.

These proposals are necessary to the safety and convenience of a large portion of our mobile population, and I recommend their early enactment by the Congress.

RICHARD NIXON.

THE WHITE HOUSE, *June 16, 1969.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 4622) to amend section 110 of title 38, United States Code, to insure preservation of all disability compensation evaluations in effect for twenty or more years, and it was signed by the Acting President pro tempore.

ARMS TALKS URGED BY REPRESENTATIVE ANDERSON

Mr. PERCY. Mr. President, I wish to call to the attention of the Senate a very important speech which my colleague from Illinois, Representative JOHN B. ANDERSON, is delivering this morning in the House of Representatives on the subject of arms talks. Representative ANDERSON is the chairman of the Republican Conference in the House of Representatives, and he is a member of the Joint Atomic Energy Committee. He is certainly one of my most respected colleagues in Congress.

I think note should be taken of what he has to say, and I trust it will be by

all Members of Congress, as well as by the administration.

Representative ANDERSON said that both the Soviet Union and the United States stand today at a very critical juncture in the arms race, "one from which there may be no return." He said both countries were testing a new weapon known as MIRV, the multiple independently targetable reentry vehicle, and in his words, "The deployment of MIRV would signal a new escalation in the arms race, one which may be irrevocable." He said the administration should consider proposing to the Russians an immediate and mutual moratorium on MIRV testing while seeking a formal arms agreement in Geneva.

Mr. President, it is to be noted that Representative ANDERSON is not calling for a unilateral cessation of testing by the United States, but that we should call for a mutual understanding and moratorium on MIRV testing.

Representative ANDERSON said:

> I would hope that this administration would exhibit a sense of urgency regarding these talks and weigh the consequences of further delay.

He went on to praise President Nixon for calling for new initiatives in the control of arms in his recent Air Force Academy speech. In the words of Representative ANDERSON:

> I think the time has come to take these initiatives before it is too late.

Representative ANDERSON quoted Mr. Nixon who said at the Air Force Academy:

> I believe we must take risks for peace—but calculated risks, not foolish risks.

Commenting on this, the Illinois Republican said:

> I sincerely believe we must always be willing to take risks for peace because risking war in a nuclear age is akin to suicide. But at the same time, I agree with the President that the risks we take for peace must be well-calculated rather than foolish since foolish risks in the interests of peace could be equally suicidal in effect.

He went on to say that while our strong defensive posture remains the best deterrent to war, "it does not logically follow that the larger our nuclear arsenal, the more secure the peace." He explained that both we and the Russians already have a large overkill capacity and that, "the time has come to call a halt to this insane nuclear version of keeping up with the Joneses."

Mr. President, I think this message is exceedingly important. It is consistent also with the strong feelings evidenced by Members of this body. I believe we should get these talks underway at the earliest possible moment.

I was encouraged by a report in the Washington Post this morning which stated that possibly a target date of July 31 has been established. Obviously, it is necessary for us to adequately prepare for these important talks and it is necessary that we consult with our allies in Western Europe who are concerned about these talks. I have just recently returned from a NATO meeting in Brussels, and in conversations there it is clear that as long as we keep them acquainted with what we are doing and consult with them, they are exceedingly anxious to see if the escalation of terror that is now being carried on by both sides cannot somehow be moderated.

Therefore, I point with considerable pride to the important message given by my colleague from Illinois, Representative JOHN B. ANDERSON, this morning in the House of Representatives.

ORDER OF BUSINESS

Mr. GRAVEL. Mr. President, I ask unanimous consent that I may proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Alaska is recognized for 10 minutes.

THE CANADIAN COMMUNICATIONS SATELLITE SYSTEM

Mr. GRAVEL. Mr. President, I would like to draw the attention of this distinguished body to a remarkable project voted into law last Friday by the Canadian Parliament.

Their action is quite remarkable for what it will do through the utilization of modern communications tools. The project is the Canadian communications satellite system—called Telesat.

I cannot praise this Canadian action enough for it represents the courage and vision to go out and to do what so many countries have been talking about doing. The Canadian Government is actually going to provide telephone and television service, not only to their urban areas, but to the most remote and far-reaching boundaries. Yes, they will provide this service now, through the use of new satellite technology rather than waiting a score of years to provide this same service through ordinary terrestrial means.

The Canadians are to be complimented even beyond this, for they hope to provide this new and advanced service at a lesser cost than is presently being charged in more urban areas.

Many have discussed and proposed the utilization of satellites as a method of bringing culture and education to the more remote areas of our globe. These discussions to place more people in the mainstream of communications are taking place in France, India, Brazil, Mexico, Japan, Indonesia, Germany, and Africa. The Council of Europe has a special committee working in Strasbourg for a similar purpose.

We, in the United States, have been moving toward the development of these educational and cultural tools. Unfortunately, our efforts have not been extensive or aggressive enough to bring to the people of this Nation the full fruits of existing communications technology.

Again I cannot praise the Canadian leadership sufficiently. The foresight of Prime Minister Pierre Trudeau and his Communications Minister Eric W. Kierans will bring about in a few short years the most modern audiovisual and cultural aids to serve all Canadian citizens between three oceans: Atlantic, Pacific, and Arctic.

My testimony to the Canadian foresight can be made only by a comparison to what we Americans are not doing in the same area.

Canada is not the only country with difficult terrain. Canada is not the only country with remote communities lying hundreds of miles apart. Canada is not the only country whose citizens, because of geographic circumstances, are educationally, culturally, and medically deprived.

No, Canada is not the only country. The United States has as many liabilities. This disenfranchisement exists in my own State of Alaska more than others; but it also exists in most of the rural areas of our Nation.

Our Nation, the United States of America, has made available the rockets, the miniaturization of electronics, the remarkable reliability of manmade tools in outer space. It is our Nation that established by law a corporation, Comsat, to provide space communications to those in the world who would join us in this enterprise. The United States provided the means, the tools, the material resources. The American taxpayer, directly and indirectly, has contributed millions of dollars to communications technology.

Our investment in this technology has not as yet brought the proper return. We have yet to enjoy the full benefits of a technology we have already paid for. We have yet to experience the full benefit of a domestic satellite system and the cost savings that can be enjoyed by all our citizens.

One can only reflect on when these benefits will become broadly available to our citizens. We can only hope that some day soon the biomedical communications from the Lister Hill National Center will be made to all our doctors on all the islands of Hawaii, throughout the State of Alaska, and in the most northern reaches of Maine, Wisconsin, Montana, Idaho, and other States.

The American public in general, and Alaskans specifically, have long endured inadequate service, inadequate when compared to that which advanced technology could readily make available.

How many more Alaskans and Americans must die before rural doctors have equal access to banks of modern diagnostic and therapeutic information?

How much longer must Alaskans be the only Americans not to watch by live transmission the space exploits for which they, too, have contributed their tax dollars?

How much longer must Alaskan children be the only American schoolchildren who cannot be afforded the experience of educational television programming.

How much longer must Alaskan business and other rural businesses throughout the Nation be subjected to unfair competition in the form of punitive, exorbitant telephone rates?

Let us hope that this Congress will reexamine those laws which today fragmentize responsibilities and permit not only the Alaskan public but the American people to go without the fruits of its own labor.

Mr. President, I am most encouraged by two developments in recent days that seem to indicate an awakening to both the Alaskan problem and the opportunities offered for satellite communications in our Nation.

First, in response to my inquiry, the Chairman of the U.S. delegation to the Intelsat conference, the Honorable William W. Scranton, has advised me that the United States would not object to Alaska's sharing in the benefits of the Canadian satellite, assuming of course that the Canadians might have an interest in permitting Alaska to share in its program.

I believe that this represents the new administration's first policy statement on the subject of international use of regional satellites.

Ambassador Scranton says in his letter:

> We are asking that member countries be free to establish satellites outside the Intelsat system to carry domestic traffic, with no qualifications except technical coordination with Intelsat. Under this concept of the definitive arrangements, there would be no obstacle to transmission of domestic traffic between Alaska and the rest of the United States via the Canadian satellite assuming this was arranged with the approval of the authorities of both countries.

I stand here to praise this new departure by the present administration. I think it is more realistic and offers a greater diversity of opportunity in satellite communications.

In view of this new policy, and on behalf of my constituency, I hope in the next few weeks to formalize a request to the Canadian Government—and my own State government—a request and a hope that the Canadian Government will entertain the possibility of letting its satellite serve the needs of my great State under some contractual arrangement.

Such an arrangement would not only bring Alaskan communications into the 20th century, but, such an arrangement would also serve to bind more closely our mutual constituencies into a new North American experience.

The benefit to Alaska of such an arrangement would be remarkable. The impact would be similar to the one in Canada.

Satellite communication could have an impact on rural Alaska, such as the Canadians expect their satellite to have in rural Canada, to the degree that we could leap into a new generation in terms of the education and accumulation of the tens of thousands of Eskimos, Aleut, and Indian people who live in remote Alaskan villages—and who, for that remoteness, pay huge and unnecessary penalties.

Mr. President, I think it would embellish the lives of all Alaskans, not only rural Alaskans but also urban Alaskans.

The second development that gives Alaskans encouragement is a proposal by the American Broadcasting Co. to provide direct television communications with Alaska through the use of the Applications Technology Satellite—ATS 1.

At a meeting last Friday, called by NASA, ABC proposed that a portable station be moved to Alaska to provide Alaskans with their first direct TV link. I commend ABC for this proposal and feel confident that it will receive serious attention by NASA.

We have an even more urgent need, however, that meshes well with what ABC has proposed. On July 16, this Nation plans to send three men to the moon on one of the most important adventures in the history of man. That event will be witnessed by most Americans and almost everywhere else in the world. Almost everywhere in the world, except Alaska.

In 1968, our Nation arranged to have the Olympic games seen in Japan, the Pope's visit to Bogotá seen in Europe, and the World Series seen in Puerto Rico—all by portable ground station deployment and use of the ATS satellites.

It would certainly be a fitting use of this capability if our Nation were to arrange for Alaskans to see an event that for significance and drama will never occur again: man's first landing on a celestial body other than the earth.

I have asked NASA to undertake such a project. I have contacted owners and operators of ground stations to determine availability. I have contacted the U.S. Navy to see whether some arrangement can be made with shipboard reception equipment. I plan to do everything I possibly can in the weeks ahead to bring Alaskans the opportunity of seeing directly, as other Americans will, man's first landing on the moon.

This is an immediate need. However, our long-range requirement is similar to the one the Canadians acted upon this week. Their action will be a major landmark in world communications.

Our Canadian neighbors have taken a major step forward. I congratulate them and wish them well. I am pleased and honored that our President has no objection to Canada's use of our rockets to launch their satellite.

However, Mr. President, I would hope that our Government would aggressively—and I mean aggressively—and in haste tender the availability of this rocket as soon as possible in order to implement what I think is a great program on the part of Canada. I hope that Alaska will have an opportunity to have access to that satellite.

Mr. President, I ask unanimous consent to have printed in the RECORD my letter to Dr. Paine, of NASA; the correspondence I have had with Ambassador Scranton, and the proposal of the American Broadcasting Co.

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

JUNE 12, 1969.

Dr. THOMAS O. PAINE,
Administrator, National Aeronautics and Space Administration, Washington, D.C.

DEAR MR. PAINE: Could you please examine the possibility of NASA performing a unique public service for Alaska, one which would have more impact on the people of my state than anything that has yet occurred in the field of Alaska communications.

When the moon landing takes place in July the people of Alaska, under present circumstances, will be the only Americans unable to witness the event via television as it occurs. I would imagine that citizens of other countries will also be able to see the moon landing.

If NASA would arrange for the location of four mobile ATS television reception stations in the Anchorage, Fairbanks, Sitka and Juneau areas, and if NASA would further arrange a relay to these stations via satellite, the majority of the people of my state could then witness at first hand one of the most historic events in human history.

Please be assured of the complete cooperation and support of my office and of all Alaskans to help NASA arrange this experiment.

Sincerely,

MIKE GRAVEL.

MAY 26, 1969.

Hon. WILLIAM W. SCRANTON,
Chairman of the United States Delegation to the Intelsat Conference, Department of State, Washington, D.C.

DEAR MR. CHAIRMAN: Permit me to congratulate you on your assignment as the President's principal American representative to the vitally important Intelsat Conference.

I am personally very interested in efforts to establish a definitive agreement, and am most anxious that the final agreement be such as to allow the State of Alaska to have access to all communications satellites which can be exploited for cultural and educational transmissions as well as for commercial, subscriber communications.

The broad applications for long-distance communications go well beyond the notions of traditional communications. The remoteness of some Alaskan area precludes a rigid Intelsat definition of satellite exploitation if this rigidness would force Alaskans to go without modern audio-visual and telephonic facilities.

For example, should the Canadian TELE SAT system provide portions of Alaska access to modern communications faster and more economically than another space project, then Alaska should be able to opt for this access. I single out TELESAT since, for the moment, its planned coverage of neighboring Yukon and British Columbia is the only coverage which could, with appropriate agreements, be a rapid step forward for Alaska in modern communications.

At the moment my state has the worst communications system under the American flag. While I can understand the circumstances that developed this situation, I do not think it is proper to sanction anything less in the way of improvements than technology can make available.

I would appreciate the benefit of your thinking on this problem and the opportunities presented by recent technological breakthroughs.

Sincerely,

MIKE GRAVEL.

DEPARTMENT OF STATE,
Washington, D.C., June 12, 1969.

Hon. MIKE GRAVEL,
U.S. Senate.

DEAR SENATOR GRAVEL: You asked in your letter of May 26 for my thoughts on communications with Alaska via satellite.

The proposals we have made for definitive arrangements for INTELSAT would not interfere with establishment of facilities for satellite transmission to Alaska. We are asking for a broad scope of authority for the INTELSAT organization so that it could provide such satellite telecommunication facilities as the parties to the agreement may request, so there would be no obstacle if at some later date something specific is wanted from INTELSAT.

We are also asking that member countries be free to establish satellites outside the INTELSAT system to carry domestic traffic, with no qualifications except technical coordination with INTELSAT. Under this concept of the definitive arrangements, there would be no obstacle to transmission of domestic traffic between Alaska and the rest of the United States via the Canadian satellite, assuming this was arranged with the

approval of the authorities of both countries. Our proposals for the definitive arrangements would also not prohibit satellite systems outside INTELSAT carrying international traffic, such as traffic between Alaska and Canada, on the Canadian satellite, but would require a determination by the INTELSAT Governing Board that such use of the outside system would not be economically damaging to INTELSAT.

There is, of course, no barrier in the INTELSAT arrangements to use of the INTELSAT system by Alaska today, and, as you are no doubt aware, ComSat plans and the FCC has approved an earth station, to be located north of Anchorage for that purpose. (ComSat's release of June 4 announcing the award of a contract for construction of the station said it is to be completed in the late summer of 1970.) I assume this will be helpful, though it of course does not solve the problem of onward transmission to remote areas.

Sincerely,

WILLIAM W. SCRANTON,
Chairman, U.S. Delegation,
INTELSAT Conference.

AMERICAN BROADCASTING CO., INC.,
New York, N.Y.

PROPOSED SATELLITE TRANSMISSION TEST TO ANCHORAGE, ALASKA

In its initial satellite filing in September of 1965, and in each of its subsequent submissions in Docket 16495, American Broadcasting Company has urged the Federal Communications Commission to approve the positioning of a synchronous satellite to be used for radio and television program distribution purposes. Like NBC, CBS, and the Ford Foundation, ABC has argued that a dedicated television distribution system has numerous advantages over a multipurpose system.

To demonstrate that a satellite system for program distribution purposes is entirely feasible and reliable and that it could be placed in operation almost immediately, ABC herewith proposes that ATS-1 be utilized, under NASA's auspices, for a period of three to six months to provide instantaneous news and public affairs programming to the three television stations in Anchorage, Alaska, an area entirely dependent at present on delayed telecasts for national and international news developments. To that end ABC would welcome the cooperation and participation of the other television networks, commercial and educational, in the experimental program here envisaged.

ABC's technical advisers (Hughes Aircraft Company) are confident that such a test program, over a period of three to six months, would fully demonstrate the feasibility and reliability of synchronous satellites for program distribution purposes—without elaborate and costly ground receiving terminals. In addition to test data thus obtainable from the experimental transmissions here proposed, there would be substantial public interest benefits in thereby providing direct reception (news and public affairs) to the people of Alaska, an area wholly dependent on delayed video broadcasts for news happenings elsewhere.

The technical details for the test system, utilizing ATS-1, which is here being proposed for NASA's consideration, is outlined in essential respects in the engineering statement attached hereto. It will be noted that the required equipment is now in use at the Island of Barbados and that it can be moved to Alaska and be ready for operation by September 1969. To meet the September date, a go-ahead is needed by about July 1.

The costs for the experimental program would be between $125,000 and $250,000 for the three to six months period. If the necessary authorizations are obtained, ABC proposes to share these costs with other networks who desire to participate.

ARMS LIMITATION

Mr. MANSFIELD. Mr. President, I have listened to what the distinguished junior Senator from Illinois (Mr. PERCY) said today about a speech which Representative JOHN B. ANDERSON, chairman of the Republican Conference in the House of Representatives, is giving today on the floor of the House.

As I read the press release, it indicates that Representative ANDERSON, who is also a member of the Joint Atomic Energy Committee, said that both the United States and the Soviet Union stand at a very critical juncture in the arms race, "one from which there may be no return," and urges the Nixon administration to move immediately to the negotiating table with the Russians to discuss strategic arms limitations.

Mr. President, Representative ANDERSON states in his news release:

> I would hope that this administration would exhibit a sense of urgency regarding these talks and weigh the consequences of the delay.

Later on he indicates that while our defensive posture remains strong and is the best deterrent to war, it does not logically follow that the larger our nuclear arsenal the more secure the peace.

Mr. President, I commend the distinguished Representative from Illinois for the leadership he is showing in urging that arms limitations or an arms freeze be the subject of prompt negotiations with the Soviet Union.

It is my belief that if something is not done along this line, and if the delay is too long, the end result will be contrary to what the administration has stated time and time again that it wishes to achieve. If we start a new strategic arms race, linking the ABM with the MIRV and other systems which will be developed, the Soviet Union will not stand by but will react and both nations will be carried along by the momentum to their common detriment.

When the Soviet Union reacts, we will react; and the end result will be not the spending of between $10 billion and $20 billion, as the initial sum covering 12 sites, but tens and tens of billions of dollars on both sides. In the end, we will be just where we are now. In the meantime, our cities may well burn from neglect; our people will become more discontented and concerned; our younger citizens more restless. We will have bought something which will not have amounted to a great deal, while at the same time we will have contributed to political instability at home.

I have said several times that what we need is not one priority over another but a sense of balance between domestic and international defense needs. Although we may have the most expensive offensive and defensive weapons systems, if we do not have stability at home, we will not have much of anything. What we need is not so much a list of priorities, but a recognition that these arms problems will not go away, but must be faced up to in negotiations. As far as now being the time is concerned, in my opinion the time is long overdue.

Secretary of State Rogers, in his press conference several months ago, said negotiations would get underway in late spring—late spring is almost gone—or early summer—and early summer is almost upon us. The latest I have read is that there may be a conference in early fall, perhaps before that, but nothing definite has been indicated.

If we want to break the mad momentum which may develop if we start building an ABM system—which is unproven, untried, and whose cost is not known—we must make the effort. If we do not we will only be opening a box of ills which will plague us many, many months from now, and we will give much less in the way of hope to our citizens, both young and old.

I am delighted that an outstanding Republican in the Senate, the distinguished senior Senator from Kentucky (Mr. COOPER), has taken the lead in this matter in this body, just as another Republican, Representative JOHN B. ANDERSON, of Illinois, has taken it in the other body. I wish them both well. I want to assure them of my full support in achieving their objective.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SYMINGTON. I would like to associate myself with the words of the distinguished majority leader.

Today we face an obvious credit crunch in the United States, and possibly also a currency crunch in Europe. If we are going to continue the arms race at a scale of $80 billion a year, and add to that that we need billions more for new weapons systems, I think it clear that in the not too distant future we could have a financial crisis in the United States.

The way to stop these gigantic expenditures is through arms control agreement, more than any other possible method.

I hope that all Americans will take note of the measured, quiet way this matter has been presented to the Senate today by the distinguished majority leader.

ADMIRAL RICKOVER WARNS SOVIET TRIES TO NEUTRALIZE POLARIS

Mr. BYRD of Virginia. Mr. President, I should like to call to the attention of the Congress an important exchange of letters between Senator HENRY M. JACKSON and Vice Adm. H. G. Rickover on the future effectiveness of our Polaris forces.

As my colleagues know, Admiral Rickover is a distinguished, creative contributor to our national safety and freedom.

In his reply to Senator JACKSON's inquiry, Admiral Rickover has given us a timely warning of the possible vulnerabilities of our Polaris submarines in the mid-1970's time period.

I ask unanimous consent that the exchange of letters be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., June 5, 1969.

Vice Admiral H. G. RICKOVER,
Naval Ships Command,
Department of the Navy,
Washington, D.C.

DEAR ADMIRAL RICKOVER: I have read your April 25, 1969 letter to Senator Pastore with great interest. As usual, you have reduced a complicated issue to a few basic questions.

There is one subject vital to this issue in which I know the American people will respect your judgment—nuclear submarines, and in particular, our POLARIS submarines.

I would appreciate your assessment of the effectiveness of our POLARIS forces after 1972 in light of the remarkable advances recently made by the Soviet Union in their submarine and anti-submarine capability. I am particularly interested in your views concerning the ability of our deployed POLARIS submarines to survive a planned attack by Soviet anti-submarine forces in the mid-70's time frame.

I would hope your response can be written in such a way that the American people can have the benefit of your views.

Sincerely yours,

HENRY M. JACKSON,
U.S. Senate.

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., June 12, 1969.

Hon. HENRY M. JACKSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JACKSON: This is in response to your letter of June 5, 1969, asking for my views concerning the ability of our POLARIS submarines to survive a planned attack by Soviet antisubmarine forces in the mid-1970's time frame.

Let me first say that based on the best evidence available, I believe that *today* our POLARIS submarines are safe from a massive, neutralizing blow. Further, I am not aware of any valid information indicating that the Soviets possess a means to track and destroy our POLARIS submarines while they are on station. However, there is no assurance that this situation will prevail for long.

There is, in fact, evidence that the Soviets are actively engaged in a determined effort to acquire the capability to neutralize or destroy our POLARIS force. They have developed and they continue to develop faster and quieter submarines. They are experimenting in all phases of submarine and antisubmarine warfare—we are not. In fact, during the past year alone they have developed several new types of nuclear submarines; we have developed only one new type in ten years. It is clear that a major objective of their naval programs is to invalidate our own POLARIS system.

Given the recent Soviet progress in undersea warfare and the sheer magnitude of their nuclear submarine program, the conclusion is inevitable that, unless we are willing to match their effort, they will surpass us in this field during the 1970's.

Of course, in the present era of rapid technological change accurate prediction of *future* military developments is difficult, if not impossible, even for such a relatively short period as five to ten years. It is equally difficult to predict the outcome of future military engagements, since these are dependent on successful exploitation of the latest technological advancements. All we can do is learn what we can of the progress being made by other nations in the areas related to submarine and antisubmarine warfare and then to compare this with our own progress.

The Soviets now have by far the largest submarine force in the world—about 375 submarines, all built since World War II. We have 143, including 61 diesel submarines most of which are of World War II vintage. Thus, they have a net advantage of about 230 submarines. It is estimated that by the end of 1970 they will have a numerical lead even in nuclear submarines.

In the single year 1968, the Soviets put to sea a new type ballistic missile nuclear-powered submarine as well as several new types of nuclear attack submarines—a feat far exceeding anything we have ever done. It is estimated that by 1974 they will have added about 70 nuclear-powered submarines to their fleet, whereas we will add but 26—thus further increasing their numerical superiority. As for ballistic missile submarines, the Soviets have undertaken a vigorous building program to equal or surpass our POLARIS fleet of 41. At least seven of their new POLARIS-type submarines have been completed, and they now have the capability of turning out one a month. We have no POLARIS submarines under construction or planned. We must assume that by the 1973–1974 time period they will be up to us.

To achieve this, the Soviets have greatly expanded and modernized their submarine building and repair facilities. Just one of their numerous submarine building yards has several times the area and facilities of all U.S. submarine yards combined. They use modern assembly line techniques under covered ways, permitting large-scale production, regardless of weather conditions.

The progress made by the Soviets over the past few years in nuclear submarine design, construction, and operation could only have been accomplished through the efforts of a large group of highly competent technical personnel. We must assume the talents and efforts of this group will continue to provide the Soviets with additional advances in nuclear submarines.

The superiority of a given weapon system is never static. The history of warfare is an ever-changing contest between weapon and counterweapon. Whenever man invents a new weapon, two things happen immediately. First, his potential adversaries start to develop a counterweapon. Second, improvements are made in the original weapon to make it even more effective. This was the case with the bow and arrow, gunpowder, battleships, airplanes, rockets, etc.

The battleship is a good example. In 1907 when the British DREADNOUGHT, the world's first modern battleship put to sea it was hailed as "invincible." It had armor plate thick enough to stop any naval shell then in existence. Soon afterward other countries built their own battleships with large guns and heavy armor. The British then developed the destroyer to protect the battleship by firing torpedoes against opposing battleships. The other side, of course, soon had its own destroyers. The battleship then was given the capability of carrying airplanes to increase its range of visibility; this added the new element of air power to the battleship.

Although it became evident during World War I to farseeing officers like General Billy Mitchell that aircraft constituted a new and formidable weapon against the battleship, it nevertheless took a long time for those who had faith in the battleship to accept this and prepare against the danger. Even as in 1907 it was impossible to predict how long the battleship would remain "invincible," so is it today impossible to predict how long the POLARIS submarine will remain invulnerable.

As in the case of the battleship, the competition between the submarine and its foes has seesawed since the former proved its worth in World War I. As advances have been made in submarine design since World War I, progress has also been made in developing antisubmarine warfare.

Submarines have the protection of the ocean depths. When submerged they cannot be seen by the human eye or by radar. The only way we know at present to detect a submerged submarine is by the sound it makes. For years, groups of scientists and engineers have tried to make submarines quieter, while other groups have worked just as hard to develop more sensitive listening devices. This technological battle continues.

With the advent of nuclear propulsion, the submarine has been able to operate submerged at high speeds for long periods of time; this gave the nuclear submarine the edge. However, great strides are being made in the mobility of antisubmarine forces and in their capability to detect and destroy submarines. In fact, the nuclear attack submarine itself is now being used as an antisubmarine weapon.

We do not know, of course, how these developments will work under actual war conditions; nor do we know how effective our POLARIS submarines would be in an encounter with an enemy antisubmarine force—be it air, surface, or subsurface—or how effective our own antisubmarine forces would be against the latest Soviet nuclear submarines.

The answer to your question concerning the survivability of our POLARIS submarines in the mid-1970's depends on whether we can regain the advantage we had in the past. Will our progress in undersea warfare during the 1970's match that of the Soviet Union? Can we assume that our POLARIS system will be the first weapon in history to remain invulnerable? The developments I have cited should caution us against making such an assumption.

As I pointed out in my April 25, 1969, letter to Senator Pastore (Page S4226 of the Congressional Record, April 29, 1969), the Soviet Union is embarked on a program which reveals a singular awareness of the importance of sea power and an unmistakable resolve to become the most powerful maritime force in the world. As a result of the Cuban missile crisis, the Soviet leadership resolved never again to be placed in a position where they would have to negotiate from weakness—in that case lack of strategic and naval superiority. They have publicly avowed their goal to become preeminent in sea power, and all evidence indicates they are proceeding with competent speed. This is especially true in their undersea warfare forces. They have openly stated that these are to be the major arm of their fleet.

To recapitulate: I believe that while *today* our POLARIS fleet is safe from a planned attack by the Soviets, there is sufficient evidence concerning their progress in this field to cause doubt by the mid-1970's. We must increase our own efforts if we expect our POLARIS fleet to remain the deterrent it now is.

Respectfully,

H. G. RICKOVER.

REGARDING COMPLETE FINANCIAL DISCLOSURES

Mr. YOUNG of Ohio. Mr. President, nowadays we read almost daily of some Member of Congress reporting his financial holdings and then stating he will withhold his vote on any legislation which might directly or indirectly influence the value of stock or bonds owned by him. Also, I understand that some legislative proposal has been introduced compelling every Member of the Congress to publicly disclose his financial status.

Mr. President, for 12 years prior to the time I was elected to my first term in the Senate, Senator John W. Bricker, of Ohio, was a Member of this body. He had, in fact, been Republican candidate for Vice President, had served for three terms as Governor of Ohio, and prior to

that as attorney general of my State. He had never been defeated for any public office he sought.

In 1958 I was nominated at the Democratic primary as his opponent. I learned that he had organized his law firm, then Bricker, Marburger, Barton, and Eckler, in January 1947, coincident with his becoming U.S. Senator. In my candidacy for election in 1958, I denounced my opponent in speeches in 73 of 88 Ohio counties, charging him with misrepresenting Ohio and with a direct conflict of interest in that his law firm represented the Pennsylvania Railroad and in that the most important legislative enactment during his 12 years as Senator was the creation of the great St. Lawrence Seaway. Officials of his client, the Pennsylvania Railroad, along with other railroad officials throughout the Middle West, violently opposed the St. Lawrence Seaway. Every Ohio Member of both branches of the Congress, Republican and Democrat, except Senator Bricker voted in favor of the St. Lawrence Seaway. Senator Bricker expressed violent opposition to it and voted against it.

In denouncing him for this and for heading a law firm which he created and established and which was one of the most affluent law firms in Columbus, Ohio, I denounced the fact that he had directed his salary check as Senator to be mailed to his Columbus law firm. In my campaign I promised that I would withdraw altogether from the practice of law if elected and, in addition, that I would publicly disclose my financial holdings so that Ohio citizens could judge for themselves whether or not I was involved in a conflict of interest and whether I would ever vote for personal and selfish reasons rather than for what I believed was in the public interest.

On December 15, 1958, I closed my law office and dissolved my law firm. Since that time I have not practiced law either directly or indirectly.

Then early in 1959, in a public letter to Hon. Felton M. Johnston, then Secretary of the Senate, I fully disclosed my financial holdings and mailed copies of that statement to Ohio newspapers, radio, and television stations.

Mr. President, since that time, I have directly after the convening of every session of the Congress early in January, mailed to the Secretary of the Senate a complete statement of my financial holdings and also a certified copy of my income tax return for the preceding year. I have done this every year. I did it again last January.

It happens I am the very first Member of either branch of the Congress in the history of the Republic to fully disclose his net earnings for the preceding year, including, of course, the total amount received not only as interest on bonds but also as dividends on stocks, and including any fees received for speeches delivered outside of my State. Of course, I do not accept fees for speeches made within my State.

Mr. President, I am not about to refuse to vote on any issue before Congress, or to vote "present" on any issue, because I have disclosed my holdings, and the public may judge for itself whether or not I am motivated by any financial interest.

It happens that my financial holdings include a number of thousands of shares of stock in oil-producing companies, such as Occidental Petroleum and Phillips Petroleum, and over the years I have profited by holding these stocks. But, as a member of the Committee on Ways and Means of the House of Representatives, and also as a Senator, I have on every opportunity that has been afforded me voted either to reduce the 27½-percent depletion allowance for oil and gas producing companies, or, as on at least one occasion as a member of the Ways and Means Committee, to eliminate it altogether. I expect to so vote in the future.

Mr. President, all the annual letters I mailed to the Secretary of the Senate were made public by him at my request. These have been published in Ohio newspapers.

Mr. President, I shall now read the letter I mailed in March 1959 to Hon. Felton M. Johnston, then Secretary of the Senate, and the most recent letter I mailed on January 6, 1969, to Hon. Francis R. Valeo, Secretary of the Senate, wherein I made a complete report of my income for 1968 and my financial holdings as of January 1969. All annual letters I have sent from 1959 to last January are on file with the Secretary of the Senate.

My letter of March 26, 1959, was as follows:

MARCH 26, 1959.

Hon. FELTON M. JOHNSTON,
Secretary of the Senate,
Washington, D.C.

DEAR MR. JOHNSTON: It is my personal belief that I should file with you a statement disclosing my financial holdings.

It happens that I own some stock in sugar companies, and I now learn that legislation relating to sugar imports, etc., will be considered in the Committee on Agriculture, of which I am a member.

Therefore, I have concluded to sell this stock and I am communicating with my broker. This will cause me a financial loss, but as I own 154 shares in one sugar company and 100 in another sugar company, I shall accept this loss and would prefer to do so. Presently I have not formed final judgment as to my vote other than that I shall vote according to my conscience.

I am filing a statement which you may make public, should you so desire, in order that anyone interested may judge in the future whether there is any conflict of interest influencing my action and votes as United States Senator.

You may depend upon it, I will never cast a selfish vote. I will continue to work and vote in the public interest, in accord with my best judgment.

Another reason I think I should disclose these holdings is that I am receiving form letters and circulars urging me to vote to retain the present 27½% depletion allowance for oil and gas corporations.

The facts are, that as a member of the Ways and Means Committee of the House of Representatives, I voted to reduce this depletion allowance from 27½% to 15%. I have not changed my views. Should there be a vote on this issue in the Senate, I would vote against retaining this 27½% depletion allowance.

The fact that from time to time I, like other corporate stock holders, receive form letters, or circulars, along with the dividend checks, urging me to write my Congressman, expressing views coinciding with the views of the corporation officials, is an additional reason causing me to feel I should make a financial disclosure.

A substantial portion of stock I own was purchased by me before I went overseas in World War II.

Although this may embarrass members of my family and me, I report as follows:

In addition to some U.S. Government bonds, I also own some real estate in Cuyahoga County and some acreage in California and Mississippi, on which there is an oil lease. I own the following shares of stock: 997 Monsanto Chemical, 1465 Plymouth Oil, 450 Radio Corporation of America, 700 Mission Development, 466 Ashland Oil and Refining, 600 W. R. Grace & Co., 304 Socony Mobil, 300 Phillips Petroleum, 100 General Fireproofing, 200 Atlantic Refining, 180 Mission Corporation, 100 Sinclair Oil, 310 Getty Oil, 154 South Porto Rico Sugar, 120 Pure Oil, 100 Cuban American Sugar, 209 Robbins & Myers, 100 United Fruit, 100 Monterey Oil, 200 British Petroleum, 100 Equity Oil Company, and a few shares of bank and other stocks, preferred and common.

May I add that directly after I was appointed to membership on the Committee on Aeronautical and Space Sciences, I sold all shares of Pan American World Airlines I had owned, and in January, I cancelled an order to purchase shares in another air line stock.

Very sincerely yours,
STEPHEN M. YOUNG.

My letter to Mr. Valeo, written January 6 of this year, reads as follows:

U.S. SENATE,
COMMITTEE ON PUBLIC WORKS,
January 6, 1969.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
Washington, D.C.

DEAR MR. SECRETARY: Early in 1959 directly following taking the oath of office as U.S. Senator and to keep a campaign pledge made in denouncing Senator Bricker for conflict of interest in remaining as head of his law firm representing the Pennsylvania Railroad Company and other railroad corporations and then voting as Senator against the St. Lawrence Seaway, I fulfilled my pledge to completely withdraw from the practice of law and to disclose my financial holdings and status.

In filing with your office a complete statement of my financial holdings I became the very *first* member of either branch of the United States Congress to make full and complete disclosure of my financial status.

The purpose of this letter is to fully disclose my income for the entire year of 1968 and my present financial status including all of my assets and all of my indebtedness. Therefore, citizens are in position to judge accurately whether or not at any time there was, and whether there is, any conflict of interest and whether for selfish personal aggrandizement I yielded to some improper demands and voted or conducted myself as a Senator of the United States at any time other than for the best interests of citizens I represent and of our Nation.

Mr. Secretary, I make the following complete financial disclosure. This is true and correct, and directly after the joint income tax return I shall file with the Internal Revenue Service for the year 1968 has been prepared and filed I shall mail you a copy to be attached to this letter.

During the year 1968 my income was as follows:

Salary as U.S. Senator	$30,000.00
Amount received from interest on government and other bonds and dividends on stock holdings in excess of interest paid out on loans with stocks and bonds as collateral	12,016.12
Total income from long and short term capital gains on stocks	

and bonds sold in excess of long and short term capital losses incurred on sale of stocks and bonds	45,860.68
Net amount received as honoraria for speeches outside Ohio	1,500.00
Total net income for 1968 before making required deductions for Federal and state taxes	89,376.80

You will note not one cent was received by me for legal fees. For many years I engaged in the practice of law in Ohio and tried law suits also in some other states. My law practice was very lucrative and satisfying as my financial records and income tax returns over the years disclose.

I withdrew from my law firm December 15, 1958.

In addition to the net income received in 1968 I report financial holdings as follows:

Real estate—Residence in Washington, D.C. and equity in dwelling in Florida, real estate in Ohio and Mississippi. Total valuation—$90,000.

Life insurance—Substantial amount paid up life insurance including $10,000 GI World War policy—total value in excess of $50,000.

Personal property—Including paintings, jewelry, furniture and 1969 Oldsmobile Cutlass—Estimated value—$25,000.

Bonds—As of January 1, 1969, I own U.S. Government bonds and bonds of W. R. Grace & Co., Gulf & Western Industries, Lerner Stores, Radio Corporation of America, Tenneco, Inc., Lucky Stores, Inc. and Offshore Co. with a total value of approximately $120,000.

Preferred and common stocks as follows: 100 Ashland Oil & Refining Co.; 200 Atlantic Richfield; 100 Boston Edison; 200 British Petroleum; 200 Continental Airlines; 400 Continental Oil; 400 Delta Airlines; 100 Federal Pacific Electric Co.; 314 ITT Consumer Services; 300 Lamb Communications; 4429 Lucky Stores; 17 Murphy Oil Corp.; 751 Monsanto Chemical; 300 Northern Pacific Rwy.; 202 Occidental Petroleum; 100 Offshore Co.; 1200 Ohio Radio Inc.; 500 Pacific Petroleum Ltd.; 1300 Phillips Petroleum; 100 Radio Corporation of America; 1550 Robbins & Myers; 300 Safeway Stores; 200 G.D. Searle; 156 Seilon, Inc.; 100 Sinclair Oil; 600 Stauffer Chemical; 600 Steel Co. of Canada; 2100 Tenneco, Inc.; 100 Trans World Airlines; 200 Winn-Dixie Stores.

Regarding stocks and bonds I own in oil producing corporations I report that frequently in letters or statements accompanying dividends, officials of oil producing companies suggest "write your Congressman and urge that he vote to retain the present 27½% depletion allowance for oil and gas producing corporations." I am not about to do that. As a member of the Committee on Ways and Means of the House of Representatives in the 81st Congress, I voted to abolish this depletion allowance. I have not changed my views. As Senator I have repeatedly voted and spoken against this depletion allowance and hope to have an opportunity again this year to vote to reduce this to 15% or to eliminate it entirely. As my views on this subject are a matter of record, there is no reason I should sell oil stock I own.

Indebtedness—I owe no man or any corporation any unsecured loan. I do owe current bills to Ohio and Washington stores in a substantial amount, some representing recent purchases. Also, to Samuel Ready Boarding School, Baltimore, approximately $1100 for balance tuition for adopted daughter.

I am indebted to the Union Commerce Bank of Cleveland approximately $348,000. This indebtedness is secured by deposit of collateral.

The foregoing statement is just, true and correct and includes representing all the assets and liabilities and the entire financial status of Mrs. Young and me.

Mr. Secretary, you, of course, have my permission to make this statement public if you wish. It is my intention to follow my custom of reporting it in the Congressional Record.

Sincerely,

STEPHEN M. YOUNG.

Mr. President, I feel that this is a matter for every Member of Congress to determine for himself. I have recently read newspaper accounts of proposed legislation to make such action mandatory. I did it because I had promised the people of Ohio that I would do so. I fulfilled my promise to the people.

I have been a recipient recently of enclosures with dividend checks from Occidental Petroleum and some other companies urging me to write to my Congressman and tell him that we must retain this 27½ percent depletion allowance. I take pride in answering most correspondence, but I think I shall not answer those letters.

Mr. President, I yield the floor.

NO PROGRESS AT MIDWAY

Mr. CHURCH. Mr. President, contrary to President Nixon's rhetorical statement that he and President Thieu "opened wide the door to peace" at Midway, the disheartening, inadequate results of that meeting appear to have left the door barely ajar.

The President went into the conference with a handful of aces and came out with deuces; he had a chance to break the Paris stalemate by putting Saigon's leaders on notice that they might have to share power in an interim government composed of all political elements in South Vietnam; instead he apparently bowed to Thieu's own vested interest in things as they are.

As Joseph Kraft observes in an article entitled "Reaction to Midway Raises Doubt About Nixon Strategy," published in a recent issue of the Washington Post, the meeting's outcome "meant absolute rejection of the Vietcong demand for elections run by a provisional coalition government."

Because the Vietcong regards this as a bargaining prerequisite, the results of the Midway meeting were wholly inadequate. The National Liberation Front indicated as much when it quickly announced the formation of a "provisional" government, which Mr. Kraft correctly interprets as a pointed slap at President Thieu and "a step backward" for the Paris negotiations.

I ask unanimous consent that Mr. Kraft's column to which I have referred be printed at this point in the RECORD.

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

REACTION TO MIDWAY RAISES DOUBT ABOUT NIXON STRATEGY

(By Joseph Kraft)

President Nixon came home from the Midway Islands conference with a blare of self-praise for having "opened wide the door to peace." Not surprisingly, the other side thereupon, slammed the door in his face.

That is the true meaning of the establishment by the Communists of a Provisional Revolutionary regime for South Vietnam. And it raises the question of whether the President should not revise the Vietnam peace strategy he has so far been following.

So far the strategy has been to play a big game with little chips. The big game is a peace settlement arranged through negotiations between the Saigon government and the National Liberation Front, or Vietcong, on the political future of South Vietnam. Mr. Nixon has never been drawn from that objective by the siren songs of Saigon about the possibility of winning a military victory. To his great credit, and unlike President Johnson, he has always concentrated on moving along the Paris peace talks.

But Mr. Nixon, like Mr. Johnson before him, has been willing to pay only the smallest price for political settlement. And the Midway conference provided evidence that the President's offer was small to the point of being a mere tip or gratuity.

As political bait to the other side, Mr. Nixon offered the Vietcong a chance for legitimate participation in the future politics of South Vietnam. But the means of entry was to be through free elections supervised by some vague kind of commission. That meant the election would almost certainly be run by the present Saigon government of President Thieu. It meant absolute rejection of the Vietcong demand for elections run by a provisional coalition government.

As military bait, the President offered eventual withdrawal of American troops from South Vietnam. But he set withdrawal in motion with a tiny installment—25,000 men. He geared future withdrawals to three conditions—including a reduction of violence by the other side—which Hanoi had previously rejected. And he absolutely refused suggestions for a withdrawal plan that would lead to evacuation of all American troops in a relatively short period.

As predicted in many quarters including this space, the other side reacted to the offers just about as negatively as possible. The formation of the Provisional Revolutionary government is a direct hit at Mr. Nixon's partner in the Midway meeting—President Thieu of South Vietnam. The provisional government in effect denies the legitimacy of the Saigon governments. Its formation represents a major effort by the other side to weaken and isolate the Thieu regime.

While that effort goes forward, the other side will be using the Paris talks less as a negotiation center than as a forum for propaganda against the Saigon government. That is why Tran Buu Kiem, who used to be the Front's principal Paris negotiator, goes home for reassignment, leaving the Paris talks to Madame Nguyen Thi Binh, a purely mechanical sayer of Communist jargon. And thus the formation of the provisional government means a step backward for the Paris talks Mr. Nixon has been trying so hard to set in motion.

That dour message seems to be reinforced by military action. Not only has the other side stepped up activities since Midway, but enemy troops formerly stationed in Cambodia have been moved across the border into South Vietnam. Hanoi seems to be saying in the most unambiguous way possible that the President's measly offer is not being met by reciprocal troop withdrawal.

The immediate upshot of all this will probably be a propaganda gain for our side. It will look to the world as though Mr. Nixon held out the hand of peace, and got from the other side the wet mitten across the chops.

In these circumstances, there will be strong temptation for the President to stick with the policy he has followed up to date. His advisers will tell him that the new provisional government is a bogus affair without much appeal in South Vietnam. They will go through the usual stuff about how the other side is at the end of its strength. And they will say that if he hangs in there, the other side will see the folly of its present ways, and pick up, in time, the thread of the Paris talks.

The trouble with that approach is that in the meantime the senseless war will go on, with Americans dying by the hundreds. To me, anyhow, it makes sense for the President to think hard about proposals for an interim Saigon government and a more rapid American withdrawal. For the clear lesson of what has happened is that the big game can only be played with big chips.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION TO PROVIDE FOR INSURED OPERATING LOANS, INCLUDING LOANS TO LOW-INCOME FARMERS AND RANCHERS AND FOR OTHER PURPOSES

A letter from the Under Secretary, Department of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to provide for insured operating loans, including loans to low income farmers and ranchers, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT OF RECEIPTS AND DISBURSEMENTS PERTAINING TO THE DISPOSAL OF SURPLUS MILITARY SUPPLIES, EQUIPMENT, AND MATERIEL, AND FOR EXPENSES INVOLVING THE PRODUCTION OF LUMBER AND TIMBER PRODUCTS

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report of receipts and disbursements pertaining to the disposal of surplus military supplies, equipment, and materiel, and for expenses involving the production of lumber and timber products (with an accompanying report); to the Committee on Appropriations.

REPORT ON THE KICKAPOO TRIBE OF OKLAHOMA CASE BEFORE THE INDIAN CLAIMS COMMISSION

A letter from the Chairman, Indian Claims Commission, reporting, pursuant to law, on final judgment and findings of fact in docket No. 318, *The Kickapoo Tribe of Oklahoma, Plaintiff, v. The United States of America, Defendant* (with accompanying papers); to the Committee on Appropriations.

PROPOSED LEGISLATION TO PROVIDE FOR THE EXPANSION AND IMPROVEMENT OF THE NATION'S AIRPORT AND AIRWAY SYSTEM, FOR THE IMPOSITION OF AIRPORT AND AIRWAY USER CHARGES, AND FOR OTHER PURPOSES

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide for the expansion and improvement of the Nation's airport and airway system, for the imposition of airport and airway user charges, and for other purposes (with accompanying papers); to the Committee on Commerce.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the study of the indirect cost of federally sponsored research, primarily by educational institutions (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the administration and effectiveness of the work experience and training project in Becker and Mahnomen Counties, Minn., under title V of the Economic Opportunity Act of 1964, Department of Health, Education, and Welfare (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improvements in the management of Government parking facilities, by the General Services Administration (with an accompanying report); to the Committee on Government Operations.

REPORT OF PROPOSED FISCAL YEAR 1970 AWARDS—WATER RESOURCES RESEARCH ACT, TITLE II

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report of a list of 36 projects selected for funding through grants, contracts, and matching or other arrangements with educational institutions, private foundations or other institutions, and with private firms, under title II of the Water Research Act, fiscal year 1970 (with an accompanying report); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO EXTEND THE COMPULSORY PATENT LICENSING AUTHORITY

A letter from the Chairman, Atomic Energy Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to extend the compulsory patent licensing authority (with accompanying papers); to the Joint Committee on Atomic Energy.

RESOLUTION ADOPTED BY THE JUDICIAL CONFERENCE OF THE UNITED STATES PERTAINING TO JUDICIAL ETHICS

A letter from the Director, Administrative Office of the United States Courts, transmitting, for the information of the Senate, a resolution adopted on June 10, 1969, by the Judicial Conference of the United States, pertaining to judicial ethics; to the Committee on the Judiciary.

PROPOSED LEGISLATION TO EXTEND, CONSOLIDATE, AND IMPROVE PROGRAMS FOR ELEMENTARY AND SECONDARY EDUCATION

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend, consolidate, and improve programs for elementary and secondary education, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT ON THE RAILROAD RETIREMENT BOARD, FISCAL YEAR ENDED JUNE 30, 1968

A letter from the Chairman, Railroad Retirement Board, transmitting, pursuant to law, a copy of the Railroad Retirement Board 1968 Annual Report for the fiscal year ended June 30 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A House joint memorial adopted by the Legislative Assembly of the State of Oregon; to the Committee on the Judiciary:

"HOUSE JOINT MEMORIAL 16

"To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the Fifty-fifth Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the people of the United States of America do not elect their own President but instead elect members of an electoral college who, according to the Constitution of the United States, have the supreme power to elect a President of their own choice; and

Whereas the electoral college stands between the people and the expression of their choice of a President; and

"Whereas the will of the people may be disrupted or denied by the electoral college, which event would certainly lead to a crisis in our nation; now, therefore,

"Be It Resolved by the Legislative Assembly of the State of Oregon:

"(1) The Congress of the United States is memorialized to propose an amendment to the Constitution of the United States which would accomplish the following:

"(a) Abolish the electoral college.

"(b) Create a system for the direct election of the President of the United States by all the qualified voters of the nation.

"(c) Require that the successful candidate must receive no less than 40 percent of all the votes cast for President to be elected; however, in the event no candidate received 40 percent of all the votes cast for President, then the two candidates receiving the highest number of votes cast would be candidates in a second election and the candidate receiving the highest number of votes in the second election would be adjudged successful.

"(2) A copy of this memorial shall be sent to the presiding officer of the Senate and of the House of Representatives of the United States and to each member of the Oregon Congressional Delegation.

"Adopted by House April 11, 1969.

"WINTON L. HUNT,
"Chief Clerk of House.

"ROBERT F. SMITH,
"Speaker of House.

"Adopted by Senate May 20, 1969.

"E. D. POTTS,
"President of Senate."

A Senate joint resolution adopted by the Legislature of the State of Alabama; to the Committee on Armed Services:

"SENATE JOINT RESOLUTION 5

"Whereas the pay of active members of the armed forces of the United States is recomputed at certain intervals in order to reflect the rise of the cost of living index and career military personnel have labored under the belief that their retirement pay would be recomputed at the same time and in the same manner as is the pay of active military personnel; and

"Whereas retired members of the armed forces have served their country in time of need, and richly deserve to receive the amount of pay upon which they have relied and confidently believed would be paid; now therefore

"Be it resolved by the Legislature of Alabama, both Houses thereof concurring, That the Congress of the United States be memorialized to enact such measures as may be necessary to provide that the pay of retired military personnel be recomputed on the same base and at the same time, as is the pay of active members of the armed forces.

"Resolved further, That each member of Alabama's Congressional Delegation be urged to give this matter his consideration and support.

"Resolved also, That a copy of this resolution be sent to the Congress of the United States, to each member of Alabama's delegation in Congress and to the chairmen of the House and Senate Armed Forces Committees.

"Attest:

"MCDOWELL LEE,
"Secretary of Senate."

A House joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Agriculture and Forestry:

"HOUSE JOINT RESOLUTION 53

"Joint resolution urging the passage of S. 413, authorizing the Secretary of Agriculture to cooperate with and furnish assistance to states, local governments and others in establishing a system for prevention and control of fires in rural areas,

"Be it resolved by the Legislature of the State of Alaska:

"Whereas in 1967, by sampling 24 states, the National Fire Prevention Association determined that Alaska had the greatest number of deaths by fire per million population, 79, and the second largest amount per person

fire loss, $13.42, which is $6.40 above the sampling average; and

"Whereas the average number of fire fatalities per 100,000 population over a five-year period in Alaska shows that the native population suffered almost three times the fatalities of the nonnative population; and

"Whereas a substantial proportion of the fires in Alaska occurred in rural areas or in towns and villages of under 5,500 population where most of the native population resides and there are few, if any, fire prevention programs and there is very little firefighting equipment; and

"Whereas S. 413 authorizes the Secretary of Agriculture to cooperate with and furnish financial and other assistance to states, public bodies and organizations in establishing a system for the prevention, control, and suppression of fires in rural areas and in towns of under 5,500 population; and

"Whereas the program set forth in the bill would be a great benefit to the people of this state and would serve to drastically reduce the tragic loss of human life and property by fire;

"Be it resolved that the Sixth Legislature of the State of Alaska supports S. 413 and respectfully urges that Congress pass it.

"Copies of this Resolution shall be sent to the Honorable Richard B. Russell, President Pro Tempore of the Senate; the Honorable John W. McCormack, Speaker of the House; the Honorable Allen J. Ellender, Chairman of the Senate Agriculture and Forestry Committee; the Honorable W. R. Poage, Chairman of the House Agriculture Committee; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Howard W. Pollock, U.S. Representative, members of the Alaska delegation in Congress.

"Passed by the House, April 19, 1969.

"JALMAR M. KERTTULA,
"Speaker of the House.

"Attest:

"CONSTANCE H. PADDOCK,
"Chief Clerk of the House.

"Passed by the Senate April 25, 1969.

"BRAD PHILLIPS,
"President of the Senate.

"Attest:

"BETTY HANIFAN,
"Secretary of the Senate.
"KEITH H. MILLER,
"Acting Governor of Alaska."

A House joint resolution, adopted by the Legislature of the State of Alaska; to the Committee on Commerce:

"HOUSE JOINT RESOLUTION 10

"Joint resolution relating to the establishment of a cabinet level office of fisheries

"Be it resolved by the Legislature of the State of Alaska:

"Whereas the production, development, and protection of our nation's fisheries resources is of paramount concern to all the inhabitants of the United States; and

"Whereas Alaska's involvement in the nation's fishing industry is critically important since 64 per cent of the fish-rich United States continental shelf is in Alaska; and

"Whereas the United States finds itself with an increasing number of foreign fleets off its shores, competing effectively with our fishermen and making appreciable dents in our offshore resources; and

"Whereas there exists a multiplicity of effort between federal agencies, armed service branches, and private industry, yet the United States lacks the singleness of purpose that will push us to the fore in developing our oceans and solving our fisheries problems; and

"Whereas our nation's vast fisheries resources constitute a rich source of protein, not only for our own nation's use, but which is counted on now and in the future by the hungry countries of the world;

"Be it resolved that the Legislature of the State of Alaska urges the Congress of the United States to formulate a national fisheries policy and establish a cabinet level office to administer it.

"Copies of this Resolution shall be sent to the Honorable Richard M. Nixon, President of the United States; the Honorable Richard B. Russell, President Pro Tempore of the Senate; the Honorable John W. McCormack, Speaker of the House of Representatives; the Honorable Walter J. Hickel, Secretary of the Department of the Interior; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Howard W. Pollock, U.S. Representative, members of the Alaska delegation in Congress.

Passed by the House April 12, 1969.

"JALMAR M. KERTTULA,
"Speaker of the House.

"Attest:

"CONSTANCE H. PADDOCK,
"Chief Clerk of the House.

"Passed by the Senate April 23, 1969.

"BRAD PHILLIPS,
"President of the Senate.

"Attest:

"BETTY HANIFAN,
"Secretary of the Senate.
"KEITH H. MILLER,
"Acting Governor of Alaska."

A House joint resolution, adopted by the Legislature of the State of Alaska; to the Committee on Interior and Insular Affairs:

"HOUSE JOINT RESOLUTION 60

"Joint resolution urging the passage of S. 94, establishing the Baranof House and dock as a national historic site

"Be it resolved by the Legislature of the State of Alaska:

"Whereas the ravages of time, weather and man have destroyed many of the relics of our nation's rich historical heritage; and

"Whereas Kodiak, Alaska is the site of the oldest permanent settlement in Alaska and the site of the first Russian-American colony in the western world; and

"Whereas the Baranof House, located in Kodiak, is the oldest structure on the entire west coast of the United States; and

"Whereas for the past 20 years, a small but determined group of people have been struggling to preserve the Baranof House from destruction by fire, termites, flood and the overzealous bulldozer blade of an urban-renewal project; and

"Whereas the house is a popular tourist attraction and serves as a museum displaying many of the items from the earthquake damaged museum of former years; and

"Whereas, in January of this year, Senator Mike Gravel of Alaska introduced S. 94 to establish the Baranof House and dock as a national historic site, which designation would assure the development of the site under the National Park Service, and would represent the ultimate aim of those who have worked so hard for so many years to preserve the structure for the cultural benefit of the people of Kodiak, the state and the nation; and

"Whereas every other avenue for the preservation of the priceless antiquity has been explored and tried but to little avail;

"Be it resolved that the Sixth Legislature of the State of Alaska respectfully urges congressional action on, and passage of, S. 94.

"Copies of this Resolution shall be sent to the Honorable John W. McCormack, Speaker of the House; the Honorable Richard B. Russell, President Pro Tempore of the Senate; the Honorable Henry M. Jackson, Chairman of the Senate Interior and Insular Affairs Committee; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U.S. Senators, and the Honorable Howard W. Pollock, U.S. Representative, members of the Alaska delegation in Congress.

"Passed by the House April 18, 1969.

"JALMAR M. KERTTULA,
Speaker of the House.

"Attest:

"CONSTANCE H. PADDOCK,
"Chief Clerk of the House.

"Passed by the Senate April 29, 1969.

"BRAD PHILLIPS,
"President of the Senate.

"Attest:

"BETTY HANIFAN,
"Secretary of the Senate.
"KEITH H. MILLER,
"Acting Governor of Alaska."

A Senate concurrent resolution, adopted by the Legislature of the State of Louisiana; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 45

"A concurrent resolution to memorialize Congress to provide for federal financing of welfare and public assistance programs in this and other states, and for federal legislation to accomplish this purpose

"Whereas, the welfare and public assistance programs of Louisiana have had as their goal the providing of a decent standard of living and promoting self-reliance, so that recipients will be able to provide for themselves without assistance, and

"Whereas, the strain of providing for an extensive welfare program such as we have in Louisiana has resulted in an onerous cost to the state and its taxpayers, and increasing costs of living and pressing state needs have made this even more burdensome as of late, and

"Whereas, it is the consensus of opinion that there should be uniform welfare standards throughout the nation to deal with this problem, and

"Whereas, the federal government has been and is constantly making new requirements which the state must follow, causing great hardship to this and other states, and

"Whereas, the resources of the federal government are much greater than those of any state, and

"Whereas, recent decisions of the United States Supreme Court have held that a state may not set up its own residence requirements, thus further aggravating the costs and burden of providing for the needs of our own citizens, and

"Whereas, with the mobility of the population, many welfare recipients are persons who have recently entered the state, and

"Whereas, if the federal government and its agencies persist in creating welfare burdens for the states, they should be prepared to bear the cost of such programs, and

"Whereas, in a National Association of Businessmen survey, it was shown that on the average, each person taken off welfare rolls and placed in a steady job will contribute $10,000 per year to the gross national product, pay about $241 per year in federal taxes and about $36 per year in state taxes, increase purchasing power by $3400 a year, and reduce unemployment and welfare and support costs by $1342 per year.

"Therefore, be it resolved by the Senate of the Legislature of Louisiana, the House of Representatives concurring herein, that the Congress of the United States is hereby memorialized to act on the following measures, and that the Louisiana delegation of the Congress of the United States is hereby urged and requested to take such steps as are deemed necessary in effectuating the following:

"(1) The federal government shall bear the cost of financing all state welfare programs not only in Louisiana but in all other states and make it possible for able-bodied citizens to no longer be dependent upon welfare benefits by securing meaningful employment.

"(2) Congress and the national administration shall adopt such laws, regulations and procedures as to encourage persons to seek gainful employment and thus to eliminate those laws, regulations and procedures which discourage welfare recipients from being gainfully employed and encourage them to remain on public assistance.

"(3) Congress adopt national standardized laws and procedures supported completely with federal funds to affect welfare assistance programs in all states for aid to the destitute, aged, disabled and dependent children commensurate with existing needs.

"Be it further resolved that a copy of this Resolution shall be transmitted to the secretary of the United States Senate, the clerk of the United States House of Representatives, and to each member of the Louisiana delegation of the Congress of the United States.

"C. C. AYCOCK,
"Lieutenant Governor and President of the Senate.

"JOHN S. GARRETT,
"Speaker of the House of Representatives."

A House concurrent resolution, adopted by the Legislature of the State of Louisiana; to the Committee on Commerce:

"HOUSE CONCURRENT RESOLUTION 157

"A concurrent resolution to memorialize the Congress of the United States to take whatever action is necessary for the reestablishment of the United States Weather Station at Alexandria, Louisiana

"Whereas, the federal government recently took action that resulted in the closing of the United States Weather Station located at Alexandria, Louisiana; and

"Whereas, the location of a weather station at Alexandria provided a great protection to the well being and property of many citizens in the central part of the state of Louisiana from unexpected and unpredictable sudden weather disturbances; and

"Whereas, the need for such a weather station was tragically demonstrated when shortly after the closing of the old station, extremely high winds and thunderstorms struck the Alexandria area without warning, causing great property losses to the citizens of the city and the surrounding communities; and

"Whereas, Alexandria is ideally situated in the central portion of the state from which a weather station could provide a needed service to many citizens throughout the central portion of Louisiana.

"Therefore, be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that this Legislature respectfully petitions the Congress of the United States to take whatever action is necessary for the reestablishment of the United States Weather Station at Alexandria, Louisiana.

"Be it further resolved that a copy of this Resolution shall be immediately transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States and to each member of the Congress from this state.

"Approved:

"JOHN S. GARRETT,
"Speaker of the House of Representatives.

"C. C. AYCOCK,
"Lieutenant Governor and President of the Senate."

A resolution adopted by the California-Nevada Annual Conference of the United Methodist Church, memorializing the Congress to reject the ABM program; to the Committee on Armed Services.

A resolution adopted by the Common Council of Poughkeepsie, N.Y., listing persons ineligible for voting membership on the Model City Agency; to the Committee on Banking and Currency.

A resolution adopted by the city of Franklin, Va., reaffirming its support for the reciprocal freedom of the States and the Federal Government from taxation by the other;

A resolution adopted by the Greenville County Council, Greenville, S.C., petitioning the Congress to refrain from enacting legislation which would make local government bonds taxable;

A resolution adopted by the Association of Indiana Counties, Inc., reaffirming its support for the reciprocal freedom of the States and the Federal Government from taxation by the other;

A resolution adopted by the Board of Supervisors of the County of Sullivan, N.Y., memoralizing the Congress not to include municipal bonds within the present tax reform proposal;

A resolution adopted by the County Board of Directors, Beaufort, S.C., reaffirming its support for the reciprocal freedom of the States and the Federal Government from taxation by the other; to the Committee on Finance; and

A resolution adopted by the City Council of the city of Philadelphia, memorializing the Congress of the United States to designate the birthday of the late President, John Fitzgerald Kennedy, a national legal holiday; to the Committee on the Judiciary.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session, the following favorable report of a treaty was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive B, 91st Congress, first session, two separate but related agreements between the United States of America and the United Mexican States, signed at Mexico City on December 11, 1968, namely:

(1) an agreement concerning radio broadcasting in the standard broadcasting band (535-1605 kHz), and

(2) an agreement concerning the operation of broadcasting stations in the standard band (535–1605 kHz), during a limited period prior to sunrise ("pre-sunrise") and after sunset ("post sunset") (Ex. Rept. No. 91–7).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 856. A bill to provide for Federal Government recognition of and participation in international expositions proposed to be held in the United States, and for other purposes (Rept. No. 91–234); and

S.J. Res. 90. Joint resolution to enable the United States to organize and hold a diplomatic conference in the United States in fiscal year 1970 to negotiate a Patent Cooperation Treaty and authorize an appropriation therefor (Rept. No. 91–233).

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 1173. A bill to authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity (Rept. No. 91–235).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG of North Dakota:

S. 2406. A bill for the relief of Dr. Subash C. Vidyarthi; to the Committee on the Judiciary.

By Mr. STENNIS (for himself and Mrs. SMITH, by request):

S. 2407. A bill to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each reserve component of the Armed Forces, and for other purposes; to the Committee on Armed Services.

(The remarks of Mr. STENNIS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. SPARKMAN (for himself, Mr. MONTOYA and Mr. BIBLE):

S. 2408. A bill to amend the Small Business Act; to the Committee on Banking and Currency.

(The remarks of Mr. SPARKMAN when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. DODD:

S. 2409. A bill for the relief of Czeslawa Robak (Miss); to the Committee on the Judiciary.

By Mr. HARRIS (for himself and Mr. CURTIS):

S. 2410. A bill to amend the Internal Revenue Code of 1954 to provide for the valuation of a decedent's interest in a closely held business for estate tax purposes; to the Committee on Finance.

(The remarks of Mr. HARRIS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. FONG:

S. 2411. A bill for the relief of Levani N. Damuni;

S. 2412. A bill for the relief of Pedro Dela Cruz Aqui;

S. 2413. A bill for the relief of Kwang Wu Lee; and

S. 2414. A bill for the relief of Editha Espirito Rabara; to the Committee on the Judiciary.

By Mr. LONG:

S. 2415. A bill to confirm title in St. Luc Ricard to certain lands in West Baton Rouge Parish, La.; to the Committee on Interior and Insular Affairs.

By Mr. PASTORE:

S. 2416. A bill to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ERVIN:

S. 2417. A bill for the relief of Milton M. Rose (formerly Rosenberg);

S. 2418. A bill for the relief of Emmanuel Giovanni Dermitzis; and

S. 2419. A bill for the relief of Mrs. Clarise del Socorro Perez de Soto; to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself and Mr. BENNETT):

S.J. Res. 123. A joint resolution to extend time for filing of Final Report on Mortgage Interest Rates; to the Committee on Banking and Currency.

S. 2407—INTRODUCTION OF A BILL TO AUTHORIZE APPROPRIATIONS DURING THE FISCAL YEAR 1970 FOR AIRCRAFT, MISSILES, NAVAL VESSELS, AND TRACKED COMBAT VEHICLES

Mr. STENNIS. Mr. President, as the Senate knows, there is presently pending before the Senate Committee on Armed Services S. 1192, providing for the authorization of funds for fiscal year 1970 for aircraft, missiles, naval vessels, and

tracked combat vehicles. This measure represents the recommendation as submitted by President Johnson under the so-called Clifford budget.

I am introducing the authorization proposal for fiscal year 1970 in the form recommended by Mr. Laird, the Secretary of Defense, setting forth certain changes from that proposed in S. 1192. I might also add that over changes have been announced since legislation was prepared.

I would strongly emphasize, Mr. President, that this measure is being introduced for the purpose of maintaining the legislative history on the authorization legislation. The bill which will be reported by the Senate Committee on Armed Services will undoubtedly contain changes not reflected in the attached proposed legislation.

The introduction of this measure, however, is necessary in order that we have a complete record.

I ask unanimous consent that the two letters of transmittal from the Department of Defense be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letters will be printed in the RECORD.

The bill (S. 2407) to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each reserve component of the Armed Forces, and for other purposes, introduced by Mr. STENNIS (for himself and Mrs. SMITH, by request) was received, read twice by its title, and referred to the Committee on Armed Services.

The letters, presented by Mr. STENNIS, follow:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., May, 14, 1969.

Hon. JOHN STENNIS,
Chairman, Committee on Armed Services U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On April 15, 1969, the Secretary of Defense transmitted a revised proposal substituting for a previous proposal "to authorize appropriations during fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes," which had been submitted on January 14, 1969, by the previous Administration. This substitute proposal reflected revised requests for research, development, test, and evaluation, but did not include requests for strength authorizations for the Selected Reserve of each Reserve component of the Armed Forces as these programs were still under review.

Further, in the course of discussion with members of the Committee staff, it has become clear that the Armed Services Committees may consider two methods of expressing the personnel strength authorization for the Selected Reserve of each Reserve component of the Armed Forces. The first method (expressed in Title III of S. 1192) would provide that "each Reserve component . . . be programmed to attain" a prescribed number at the end of the fiscal year. The second method (contained in P.L. 90-500) requires that each Reserve component "be programmed to attain an average strength of not less than" a certain specified strength during this fiscal year.

In order to provide the Committee with current Selected Reserve personnel strength requests which may be accommodated to either method of expression, I am enclosing alternate drafts incorporating personnel program revisions that have occurred since the submission of January 14, 1969.

Sincerely,

ROGER T. KELLEY.

THE SECRETARY OF DEFENSE,
Washington, D.C., April 15, 1969.

Hon. JOHN STENNIS,
Chairman, Committee on Armed Services, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: A draft of proposed legislation "To authorize appropriations during fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes," was submitted on January 14, 1969, as required by section 412(b), Public Law 86-149, as amended. This proposal was a part of the Department of Defense legislative program for the 91st Congress, under the previous Administration, and the Bureau of the Budget had advised on January 13, 1969, that enactment of the proposal would be in accord with the program of the President.

As you know, the Budget for fiscal year 1970 has been the subject of intensive review since the inauguration of the present administration. This reexamination requires modification of the proposal, as previously submitted, to provide authorization of appropriations as needed for aircraft, missiles, naval vessels, and tracked combat vehicles, as well as fund authorization for each of the research, development, test, and evaluation appropriations in amounts equal to the budget authority to be requested in the President's revised budget for fiscal year 1970. Authorization is also requested for the revised appropriation for the Emergency Fund for research, development, test, and evaluation or procurement or production for the Department of Defense.

A substitute proposal containing the revised figures together with a table denoting the differences between the amounts included in this proposal and the original request is attached for your ready reference.

The Bureau of the Budget advises that enactment of this revised proposal would be in accord with the program of the President.

Sincerely,

MELVIN R. LAIRD.

SUMMARY OF FISCAL YEAR 1970 AUTHORIZATION PROPOSALS FOR AIRCRAFT, MISSILES, NAVAL VESSELS, AND TRACKED COMBAT VEHICLES—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

[In thousands of dollars]

	Submitted Jan. 14, 1969	Changes	Revised amounts
Title I, procurement:			
Aircraft:			
Army	941,500		941,500
Navy and Marine Corps	2,568,900	−159,700	[1] 2,409,200
Air Force	4,406,000	−305,800	[2] 4,100,200
Total, aircraft	7,916,400	−465,500	7,450,900
Missiles:			
Army	1,347,660	[3] −390,000	957,660
Navy	865,100	−13,800	851,300
Marine Corps	20,100		20,100
Air Force	1,794,000	−307,600	1,486,400
Total, missiles	4,026,860	−711,400	3,315,460
Naval vessels (Navy)	2,698,300	−66,900	2,631,400
Tracked combat vehicles:			
Army	298,300	+7,500	305,800
Marine Corps	37,700		37,700
Total, tracked combat vehicles	336,000	+7,500	343,500
Total, title I	14,977,560	−1,236,300	13,741,260
Title II, research, development, test, and evaluation:			
Army	1,822,500	+27,000	1,849,500
Navy (including Marine Corps)	2,207,100	+4,400	2,211,500
Air Force	3,594,300	−33,100	3,561,200
Defense Agencies	500,200		500,200
Emergency fund, Defense	50,000	+50,000	100,000
Total, title II	8,174,100	+48,300	8,222,400
Grand total titles I and II	23,151,660	−1,188,000	21,963,660

[1] Of the amount requested for authorization, $25,000,000 is to be derived by transfers from the Department of Defense stock funds.
Of the amount requested for authorization, $325,000,000 is to be derived by transfers from the Department of Defense stock funds.
[3] Reflects $15,000,000 reduction in fiscal year 1969 Sentinel program and NOA.

S. 2408—INTRODUCTION OF A BILL TO AMEND THE SMALL BUSINESS ACT

Mr. SPARKMAN. Mr. President, I am today introducing a bill to amend the Small Business Act to enlarge the scope of a certificate of competency which the Small Business Administration has authority to grant small business bidders for Government contracts.

Under the law as it now exists, a certificate of competency is conclusive evidence that a small business bidder for a Government contract has the plant and manpower resources, necessary technical know-how, productive capacity, financial responsibility and credit rating to perform the prospective contract work concerning which the certificate has been issued. The certificate as now interpreted makes no determination with respect to other factors of bidder responsibility, such as past performance, integrity, ethics, motivation, perseverance and

tenacity. This limitation on the scope of the certificate of competency has caused considerable confusion and difficulty in a number of procurement actions and has greatly restricted the usefulness of the COC. The purpose of this bill is to enlarge the scope of the certificate to include all elements of responsibility such that when the Small Business Administration has issued a certificate to a small business firm bidding for a Government contract, all questions of whether or not the bidder can and will perform the prospective contract work will have been answered in the affirmative and this determination in the specific case will be conclusively binding on the procuring agency.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2408) to amend the Small Business Act, introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

S. 2410—INTRODUCTION OF A BILL TO AMEND THE INTERNAL REVENUE CODE HAVING TO DO WITH ESTATE TAXES

Mr. HARRIS. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 to provide for the valuation of a decedent's interest in a closely held business for estate tax purposes.

I introduce this bill for the second time, in consecutive sessions. I do so now with a heightened sense of urgency and concern due to what can only be judged as a fundamental threat to the family farm and the family ranch in America. The threat of which I speak, in the form of discriminatory Federal estate taxes, is of such magnitude that it could mean a virtual end to many types of family enterprise, in both business and agriculture, in a single generation. This problem finds its root in Federal action and it is incumbent upon us to find its solution there also and quickly.

The circumstances which have led to this plight are important to analyze. In recent years, an upward trend in the sales prices of farm and ranch properties, primarily caused by speculators investing in land, has produced higher and higher taxes at the death of the farmer or rancher. Often the heirs have little or no cash with which to pay these death taxes. This has already forced the liquidation of many family livestock operations, and could force the sale of countless other ranches and farms on the death of present owners.

In contrast to farms and ranches, the valuation of publicly traded stocks and securities generally reflects their earning power, and such stocks and securities can be sold on death without destroying a family business. Thus, decedents whose estates consist of farms or ranches or other small businesses involving real estate are discriminated against in comparison with those whose estates consist of marketable securities.

Along with the National Livestock Tax Committee, I have been exploring possible changes in the existing laws and regulations which might achieve estate tax equity for the livestock industry.

The prime reason for the upward trend in valuation is the Internal Revenue Service's interpretation of the requirement in the Federal estate tax regulations that the estate tax be imposed on "market value" of the property held by the decedent at the time of his death. Today the price for which farm or grazing land might sell to speculators is out of all proportion to what it will earn for farm or grazing purposes. Unfortunately, however, many revenue agents refuse to give any consideration whatsoever to the earning capacity of a ranch or farm in determining its value for estate tax purposes. To the contrary, they rely only on inflated sales prices of similar farms which have been gobbled up by land speculators. Thus, the family which does not have substantial outside assets cannot pay the estate taxes. So, the property has to be sold and cannot be passed on to the next generation.

Congress should begin now to find a satisfactory solution to this problem. With the thought in mind that whatever we do would involve the passage of remedial legislation, I have drafted a bill offering what I believe is a sound approach. In general, since other small businesses have a similar problem, it would apply in any case where a decedent owned an interest in a closely held business whether in proprietorship, partnership, or corporate form.

In such a case, the estate's representatives would have the option of having the decedent's interest in the business valued either at its market value, as at present, or the higher of the decedent's cost basis or a value based on the reasonable earning power of the business. In order to qualify for this option, my bill provides that the decedent must have been in the business for at least 10 years prior to his death, and his heirs would have to continue the business for at least 5 years after his death. In addition, this bill would provide that under the market value alternative all relevant factors should be considered in valuing a business interest, including the earning capacity of the business and the degree of control represented by the interest being valued.

I believe that this proposal represents a fair solution to the problem, and I hope the bill will be carefully and thoughtfully studied by the Treasury Department experts and others so that any shortcomings that may be found can be dealt with before I offer it as an amendment to an appropriate House-passed tax bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2410) to amend the Internal Revenue Code of 1954 to provide for the valuation of a decedent's interest in a closely held business for estate tax purposes, introduced by Mr. HARRIS (for himself and Mr. CURTIS), was received, read twice by its title, and referred to the Committee on Finance.

ADDITIONAL COSPONSORS OF BILLS

S. 1827

Mr. HARRIS. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from New Mexico (Mr. ANDERSON), the Senator from Montana (Mr. METCALF), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. MOSS), and the Senator from Ohio (Mr. YOUNG) be added as cosponsors of the bill (S. 1827), to amend the Internal Revenue Code of 1954 to impose a minimum income tax, to require the allocation of deductions allowed to individuals in certain circumstances, and for other purposes.

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

S. 1828

Mr. HARRIS. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from South Dakota (Mr. MCGOVERN), the Senator from Utah (Mr. MOSS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) be added as cosponsors of the bill (S. 1828), to amend the Internal Revenue Code of 1954 to increase the minimum standard deduction.

The PRESIDING OFFICER. Without objection, it is ordered.

S. 1829

Mr. HARRIS. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from Utah (Mr. MOSS), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) be added as cosponsors of the bill (S. 1829), to amend the Internal Revenue Code of 1954 to reduce and extend the tax surcharge and to suspend the investment credit during the remaining period of applicability of the tax surcharge.

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

S. 2241

Mr. BIBLE. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Colorado (Mr. ALLOTT) be added as a cosponsor of the bill (S. 2241), to authorize the Secretary of Health, Education, and Welfare to make Indian hospital facilities available to non-Indians under certain conditions.

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

SENATE RESOLUTION 210—SUBMISSION OF RESOLUTION CALLING ON THE PRESIDENT TO SUSPEND CERTAIN WEAPONS TESTS

Mr. CASE submitted the following resolution (S. Res. No. 210); which was referred to the Committee on Foreign Relations, by unanimous consent:

S. RES. No. 210

Resolved, That it is the sense of the Senate that, because of the great urgency of seeking verifiable agreements between the United States and the Union of Soviet Socialist Republics on the limitation of offensive and defensive strategic weapons, and because such

agreements are imperiled by the development and prospective deployment of multiple warheads by both nations, the President should immediately suspend flight tests of multiple re-entry vehicles for so long as the Soviet Union does the same.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1970—AMENDMENT

AMENDMENT NO. 41

Mr. WILLIAMS of Delaware submitted an amendment, intended to be proposed by him to the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, which was ordered to be printed and referred to the Committee on Appropriations.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1969—AMENDMENT

AMENDMENT NO. 42

Mr. TALMADGE (for himself, Mr. CRANSTON and Mr. EAGLETON) submitted an amendment, intended to be proposed by them jointly to the bill (H.R. 11400) the second supplemental appropriations bill, 1969, which was ordered to lie on the table and to be printed.

ANNOUNCEMENT OF HEARINGS ON BILLS TO EXTEND THE OLDER AMERICANS ACT

Mr. KENNEDY. Mr. President, as chairman of the Special Subcommittee on Aging, of the Committee on Labor and Public Welfare, I wish to announce a hearing on S. 268 and S. 2210 on June 19, at 10 a.m., in room 224.

The bills would extend and broaden the Older Americans Act of 1965.

ANNOUNCEMENT OF HEARINGS

Mr. DODD. Mr. President, the Senate Internal Security Subcommittee will commence hearings on the bill (S. 1988), introduced by the Senator from South Carolina (Mr. THURMOND) to amend the Internal Security Act of 1950 to prohibit certain obstructive acts and practices, at 10 a.m., June 23 in room 2228 of the New Senate Office Building.

The time and dates of further hearings will be announced as the hearings progress.

ANNOUNCEMENT OF HEARING ON NOMINATIONS

Mr. MANSFIELD. Mr. President, on behalf of the chairman of the Committee on Interior and Insular Affairs (Mr. JACKSON) I wish to announce that the committee has scheduled a hearing on the nominations of Dr. Carlos Garcia Camacho, of Guam, to be Governor of Guam, and Dr. Melvin H. Evans, of the Virgin Islands, to be Governor of the Virgin Islands. The hearing will be held at 10 a.m., on Tuesday, June 17, in room 3110, New Senate Office Building.

ANNOUNCEMENT OF HEARINGS ON A BILL TO INCORPORATE THE COLLEGE BENEFIT SYSTEM OF AMERICA

Mr. DIRKSEN. Mr. President, I wish to announce that the Subcommittee on Federal Charters, Holidays, and Celebrations, of the Committee on the Judiciary has scheduled public hearings for July 17 and 18 on S. 1290, a bill to incorporate College Benefit System of America.

The hearings will begin at 10:30 a.m. on July 17 and 18 in room 2228, New Senate Office Building. Anyone wishing to testify or desiring more information on these hearings may contact the Subcommittee on Federal Charters, Holidays, and Celebrations in room 2226, New Senate Office Building, telephone extension 5225.

The subcommittee consists of Senator McCLELLAN and myself as chairman.

ADDITIONAL ANNOUNCEMENT REGARDING VETERANS EDUCATION HEARINGS

Mr. CRANSTON. Mr. President, I wish to add to my June 12 announcement on this subject that at its hearings on June 24, 25, and 26 the Subcommittee on Veterans Affairs will also consider S. 2036, a bill introduced by the Senator from Colorado, (Mr. DOMINICK), to amend chapter 34 of title 38, United States Code, in order to provide educational assistance to veterans attending elementary school. This bill was inadvertently not listed previously.

THE JUDICIAL REFORM ACT—A WASHINGTON POST ENDORSEMENT

Mr. TYDINGS. Mr. President, on June 13 an editorial entitled "Buttressing Judicial Integrity" was published in the Washington Post. The editorial was written by Merlo J. Pusey. Mr. Pusey is a Pulitzer prize winning newspaperman and a noted expert on the judiciary. Among his many publications are "The Supreme Court Crisis," published in 1937, and the authorized definitive biography of Charles Evans Hughes.

The editorial deals with the resolution adopted by the Judicial Conference of the United States forbidding judges to accept pay for services off the bench. While praising the action of the judicial conference as formidable and courageous, it correctly points out that the action is more of a beginning than an end. The editorial is addressed to the difficult problems which still must be resolved, the application of the resolutions to the Supreme Court and the enactment of legislation to enable the judiciary to enforce the rules.

The editorial recognizes that the judicial conference as presently constituted has no authority over the Supreme Court. It suggests, however, that either the conference's authority should be extended by Congress to include the Supreme Court or that the Court should impose rules of conduct upon itself, as originally suggested by Joseph Borkin, author of "The Corrupt Judge." Hopefully, the Supreme Court will see the need to put its own house in order and will adopt the second alternative.

The editorial then goes on to discuss the need for some enforcement legislation and endorses the provisions of the Judicial Reform Act which would create a Commission on Judicial Disabilities and Tenure. This act, S. 1506, which I introduced and which is now cosponsored by 14 distinguished Senators, is the culmination of over 3½ years of study by the Subcommittee on Improvements in Judiciary Machinery. It would give the judiciary the additional machinery which Mr. Pusey has perceptively recognized to be required for complete and effective enforcement of the resolutions laid down by the Judicial Conference.

I ask unanimous consent that the editorial be printed in the RECORD.

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

BUTTRESSING JUDICIAL INTEGRITY

Admirable though it is, the resolution adopted by the Judicial Conference of the United States forbidding judges to accept pay for services off the bench leaves many questions unanswered. The Conference has gone a long way in buttressing integrity in the courts. By any standard that may be applied, its action is formidable and courageous. Nevertheless, it is more of a beginning than an end.

The most anomalous aspect of the rules laid down is their limitation to lower-court judges. Most of the impropriety which inspired these reforms has centered in the Supreme Court. Yet the remedy is not applied to Justices of that tribunal. We must hasten to add, however, that this results from a lack of jurisdiction in the Judicial Conference and presumably not from any disposition toward favoritism or disregard for the problems that have arisen within the Supreme Court.

When the Judicial Conference was created in 1939, the Supreme Court was exempted from its provisions because of a feeling that the problems with which it would be called upon to deal were largely within the lower courts. In the present context of events, however, it would be absurd to impose the tighter rules now adopted upon circuit and district judges only, with Justices of the highest court going merrily on their way. As a practical matter, the Justices will have to operate within these rules or expose themselves to public criticism that would probably end their usefulness. It is especially notable that Justice Brennan and probably others have already withdrawn from all outside activities yielding extra income.

Voluntary individual compliance, however, is not enough. The Judicial Conference seemed to recognize this in ordering its Committee on Court Administration to prepare a code of judicial conduct for consideration at its September meeting. Presumably such a code will embrace the restrictions the Conference has just laid down as to outside income and the reporting of judges' assets and liabilities. The standards to be worked out are designed to be a general guide to judicial conduct which will supplement or replace the unofficial code of judicial conduct prescribed by the American Bar Association. Here is another potentially great step in the right direction—the substitution of an offical code for an unofficial one. But the whole exercise would take on a ridiculous twist if it were not applicable to the Supreme Court.

Either one of two approaches seems feasible. First, the Judicial Conference could ask Congress to extend its jurisdiction to the Supreme Court. There is a hint that it may

have had this in mind when it directed its Administration Committee to draft proposed legislation that would enable the Conference to enforce its rules. Second, Joseph Borkin, a recognized authority on the subject and author of "The Corrupt Judge," has suggested that the Supreme Court itself has ample power to lay down rules concerning the extrajudicial activities of its members. Perhaps the Court intends to exercise this power before it ends its present term.

Whichever course is taken, some new legislation will be essential. The most hopeful approach, we think, is to be found in Senator Tydings's bill to create a Commission on Judicial Disabilities and Tenure, with power to investigate the conduct of misbehaving or incapacitated judges. This device would give the Judicial Conference the additional machinery it needs to make its rules and self-policing effective. The bill sets out fair and well-safeguarded procedures for handling the most delicate problems with which the courts have to deal. Its terms would properly be applicable to any Federal judge, including Justices of the Supreme Court. In practice it would doubtless provide an enforcement arm for carrying out the provisions of the judicial code of ethics now in the works. It is reasonable to assume that the Judicial Conference will take full advantage of the careful work that has already gone into the Tydings judicial reform bill.

SENATOR RANDOLPH BELIEVES INCREASE IN PRIME RATE ON LOANS WILL CRIPPLE HOUSING AND HURT ECONOMY

Mr. RANDOLPH. Mr. President, the question is: Are the three branches of the Federal Government and the independent Federal agencies charged with the responsibility of formulating and implementing the policies under which our people are governed? Most people would probably respond in the affirmative. We teach it that way in the schools from the elementary subjects to the courses in political science and history. Yet, the actions of big bankers, initiated last week by Bankers Trust in New York City—and over a long period of time—indicate otherwise. The bankers are important to a sound economy in this country. The unparalleled increase, however, in the prime interest to 8½ percent testifies to a tragic assumption of power by major bankers. Seemingly without complete consideration of the impact on our entire economy; without full consideration of other elements of national policy to combat inflation; and with an attitude of "we will do it," the bankers have instigated another damaging crunch on interest rates.

Mr. President, who is injured: the major corporations of this country? I think not. The consumer is hurt. The home buyer, the farmer, and the small businessman whose rates are scaled upward in the unwarranted prime interest rate are caught in this vicious squeeze. The increases will have a disastrous effect. I think the President of the United States and the Congress should force a showdown—a confrontation—with the major bankers who triggered this action. They should rescind this new increase.

Mr. President, the interest rate movers say, "they will ration credit among the banks' biggest customers." This is questionable. The banks' biggest customers will go after the money now like wolves feeding on a flock of sheep. The bankers say this will not affect mortgages or consumer loans or small business customers. I do not see how they can make this distinction. It has not been the case in the past.

The prime rate increases will not cause large businesses to borrow less. The impact—I emphasize—will be on the home buyer and on the small businesses.

Experiences seem to show that the large commercial bankers have not been aiding in the fight against inflation; rather they fuel the fires of inflation.

Methods of fighting inflation without these swollen increases in interest rates exist. And they have been presented to the commercial banks and to our Government.

I strongly urge President Nixon to state his opposition and to let it be known that he will use powers at his disposal to roll back the interest rate increase. He should accept the counsel of one of his top advisers, Arthur F. Burns, who is reported to have said:

> A further rise in interest rates would be a serious threat to the continuance of our prosperity. There would be a credit crunch followed by a business recession.

The President should take immediate action. And Congress shares the responsibility to act in correcting this situation. In this regard, I commend Representative WRIGHT PATMAN, chairman of the House Committee on Banking and Currency, for taking the initiative in communicating with the President and the Attorney General and in scheduling hearings on this issue.

It would be unconscionable for our Government, while advocating an extension of the 10-percent surtax, to allow this additional burden to be placed on the very persons who carry a heavy surtax load.

PENNSYLVANIA AVENUE

Mr. MOSS. Mr. President, Senators who are deeply committed to the John F. Kennedy proposal to make Pennsylvania Avenue "lively, friendly, and inviting, as well as dignified and impressive," will be interested in the status report on this proposal written by Alan L. Otten for the Wall Street Journal on Wednesday, May 28, 1969.

Mr. Otten reviews in general the plans produced by the President's Council on Pennsylvania Avenue and discusses what has and has not been done. He comes to the conclusion, which is obvious to all, that "progress has been slow and sporadic."

I sincerely hope that President Nixon will make good on his expressed interest in this project, and that by the 200th anniversary of the birth of our Nation, in 1976, we will have fully executed the plan to remake Pennsylvania Avenue into the kind of grand and majestic boulevard envisioned by Pierre L'Enfant when he laid out our Capital City.

I ask unanimous consent that Mr. Otten's article be printed in the RECORD.

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

SLOW PROGRESS ON PENNSYLVANIA AVENUE

(By Alan L. Otten)

WASHINGTON.—George Washington ordered the young French engineer Pierre L'Enfant to place the White House more than a mile away from the Capitol, so that Congressmen wouldn't be dropping in too often for a drink or a chat. Ever since, Presidents have been involved to greater or less degree with Pennsylvania Avenue, the broad straight boulevard L'Enfant laid out between the President's house and the meeting place of the nation's lawmakers.

Thomas Jefferson planted four rows of Lombardy poplars along the still rural street, and, with a small retinue, rode on horseback from the White House to the Capitol for his second inauguration in 1805 and then rode back, launching the custom of an inaugural parade. One hundred and fifty-six years later, riding back from his own inauguration, John F. Kennedy was appalled by the drab appearance of what should be the number one street of the nation, particularly the north side—a jumble of parking lots and dilapidated 19th century buildings with vacant upper stories and unappetizing ground-level liquor stores and coffee shops and tourist traps.

A COMMISSION PROPOSAL

He set up a study commission, and that commission proposed a council of architects and other urban experts, and Mr. Kennedy ordered that council to come up with a proposal to make the Avenue "lively, friendly and inviting, as well as dignified and impressive." A social as well as a political center was envisioned, as a key element in a broader effort to revitalize the entire downtown district. Mr. Kennedy and his advisers wanted very much to avoid any unbroken row of Government and private office buildings, dull boxes monotonous to look at by day and empty and sterile at night and on weekends.

In early 1964 the President's Council on Pennsylvania Avenue produced its ambitious plan to remake the Avenue as L'Enfant envisioned it—"a grand and majestic avenue . . . as grand as it will be agreeable and convenient." In the intervening five years, that plan has proved far easier to propose than to execute.

The council did call for some renovation of aging edifices on the south side, the side already devoted to Government buildings. It proposed, for instance, removing the dirty old city post office at 12th Street, keeping only its remarkable tower to serve as a tourist orientation building.

Mostly, though, the council devoted itself to the north side of the Avenue, and to the two ends. To create a sense of space and grandeur, it urged construction of a huge reflecting pool at the Capitol end, and at the other end a paved "national square" with a huge series of attractive new Government and private buildings would rise—well set back from the curb, with stilted arcades and street-level swank shops, cafes and restaurants, theaters and other attractions for natives and tourists alike. The Avenue would be brick-paved, with double or triple rows of trees; the buildings would have interior garden courts and other inviting open spaces.

Eighth Street would be a north-south axis, starting from a landscaped "market square" on the north side of the Avenue opposite the Archives Building—the square being the site of the old market where flatboats used to unload after coming up the old Tiber Canal from the Potomac. The Eighth Street axis would end three blocks to the north at the recently refurbished National Portrait Gallery.

Underground garages along the Avenue could park 10,000 cars. A block to the north a depressed expressway would handle most of

the through east-west traffic, leaving the Avenue free for local traffic and pedestrians.

Well, there's been significant progress, largely due to the lobbying—always persistent though not always diplomatic—of architect Nathaniel Owings, who headed the council and the successor Temporary Commission on Pennsylvania Avenue. He persuaded the Interior Department, for instance, to tunnel a proposed inner freeway underground just at the foot of Capitol Hill and a huge reflecting pool is being built atop the freeway there. Work also has started on a Labor Department building that will rise on foundations spanning the freeway as it emerges just north of the Avenue.

Owners of a new office building on the north side of the Avenue, where the old Raleigh Hotel stood at 12th Street, agreed (in return for some relaxation of zoning rules) to set its front well back from the curb, with a planted plaza in front and a shop-lined arcade and mezzanine. The Willard Hotel at 14th Street, established in the 1830s and long the stopping-place for some of the town's top visitors was closed last year, opening the way for negotiations that might eventually enable the Government to make the site part of the proposed "National Square."

A new Woodrow Wilson Center for international study has more or less been committed to become part of a new building complex on the eighth Street axis. And commission officials believe President Nixon's call for a great many more judges for the District of Columbia will lead to an early start on a new district court building on the north side of the Avenue near the present U.S. Courthouse, creating an integrated "Judiciary Square."

REVERSES ALONG THE WAY

For all the progress, however, the reverses have also been numerous and significant. One of the earliest was a decision against using the Avenue as the site of the new performing arts center—the combination opera, symphony, ballet and art structure now to be called the Kennedy Center. Locating this structure on the Potomac waterfront to the west, where the land was free, robbed Pennsylvania Avenue of what could have been one of its most vital new attractions.

A huge new FBI Building is beginning to rise on the north side of the Avenue between 9th and 10th Streets. Director J. Edgar Hoover did agree to set this back from the Avenue but managed to short-circuit the council's plan for arcades, arguing that purse-snatchers and muggers would lurke behind the pillars and molest his bureau's late-working secretaries. (Kennedy Budget Director Kermit Gordon tried to have the FBI building erected in the suburbs, arguing that it made no sense to devote such a choice location to a building that would house little but files and secretaries. But he soon discovered that Mr. Hoover was not subject to the arguments and rules that govern other Government officials.)

The Vietnam war has delayed replacement of Federal buildings; construction spending can be postponed more easily than many other Government outlays. Moreover, local Negro leaders have indicated considerable distaste for a massive Avenue rebuilding project when social welfare spending is generally under restraint. The war and high interest rates have also discouraged some private investment, commission officials contend. Last year's riots resulted in the indefinite postponement of one large private project, which commission officials think was very close to fruition, for a square block of hotels, office buildings and shops.

In fact, private companies have been generally reluctant to commit themselves to the Avenue, Eighth Street or other downtown areas until they know the renovation is going to be more than just a group of new Government buildings. "No one or two wants to get out in front," an official says. "There are no great risk takers here." Officers in that new building at 12th Street, for instance, are occupied entirely by agencies of the District of Columbia government; thus far, the building has only one private tenant, a bank on the street level, and other lower-level shops stand vacant.

The plan for the huge open square at the White House end of the Avenue has been under constant attack—from influential Washington Post architecture critic Wolf Von Eckardt, from business that might be affected, from local authorities. Its future may be the most questionable part of the whole Avenue scheme. None of the privately owned land around the proposed square has yet been obtained; if the Willard site isn't acquired soon, its owners say they will start putting up a new office building there, probably making it much harder to take over the site later. The nearby Washington Hotel has just carried out an extensive renovation, which will have the same result.

The House Interior Committee, meanwhile, has repeatedly refused to approve legislation making the Temporary Commission permanent and giving it broad power to achieve its plan, including funds to pay for condemned buildings.

LACKING PRESIDENTIAL INTEREST

Most of all, the Avenue-rebuilding has, since Mr. Kennedy's death, lacked strong Presidential interest. President Johnson officially blessed the project, but never really committed himself to it, perhaps viewing it as just another Kennedy program. Mr. Nixon has said the right things thus far, but it's too early to tell whether he really means them and will follow through, or is merely trying to please his top urbanologist, Daniel P. Moynihan, who has been deeply involved in the Avenue project from the start.

Commission officials talk optimistically about having their plan executed by 1976, in time for the 200th anniversary of the birth of the nation. "Truly, here is a plan well launched towards completion," the President's Temporary Commission declared in a just-issued progress report.

This overstates the matter quite a bit, however. There has been progress, but it has been slow and sporadic. In Washington, things never move quite as quickly as people expect, and it would be almost miraculous if a plan to remake its grand and majestic Avenue were any exception.

LOOK WITH PRIDE ON OUR FLAG

Mr. McCLELLAN. Mr. President, in observance of the meaningfulness of June 14, which has been designated Flag Day, I feel it is appropriate and fitting to ask unanimous consent to have printed in the RECORD the words of a song, "Look With Pride on Our Flag," composed by a loyal and patriotic American, Miss Hank Fort. In view of the apparent deterioration of patriotism in our country, it is indeed time that we as American citizens once again "Look With Pride on Our Flag."

There being no objection, the words of the song were ordered to be printed in the RECORD, as follows:

Look with pride on our Flag,
for we've ev'ry right to brag about "Old Glory," our emblem of Liberty.

Fifty stars shining bright on the blue.
With stripes red and White, what a sight for all to view.

Look with pride, see her wave and remember all the brave ones who fought to save and to keep us free.

In ev'ry town and city and all the countryside
By our pledge of allegiance we'll faithfully abide.

And with pride we'll look on "Old Glory" and stay
Loyal to the flag of the U.S.A.

MAJ. CONLEY T. RAYMOND, DISTINGUISHED UTAH SOLDIER, IS KILLED

Mr. BENNETT. Mr. President, a tragic and ironic automobile accident recently killed one of Utah's most distinguished soldiers, Maj. Conley T. Raymond, who had returned not long ago from his second tour of hazardous duty in Vietnam as a helicopter pilot.

Because this fine Utah son was killed in a senseless car crash rather than on the battlefields of Vietnam, it no way lessens our Nation's debt to him and his family.

I believe Major Raymond personified all that we have hoped to instill in our fighting men—love of God and family, as well as unswerving devotion to his country and the cause of freedom.

It has become popular in some quarters to focus attention on the relatively few of our fighting men who oppose the U.S. role in Vietnam. I am certain the great majority of them believe we are there for a just cause; Conley Raymond represented this majority well. In many letters home to his family and close friends, he championed the U.S. commitment to defend the right to freedom and self-determination for the citizens of that Asian land.

He was personally and deeply committed to that cause, and ready to die for it if necessary. I know of the anguish that must be felt by his wife, Kathleen, his young son, Jeffrey, and his other loved ones, that a careless driver was able to succeed where the Vietcong had many times failed.

Mr. President, a more detailed account of Major Raymond's exemplary life and record is contained in his hometown newspaper, the Logan Herald Journal, of June 3. I ask unanimous consent that it be printed in the RECORD.

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

COLLISION KILLS LOGAN OFFICER

Maj. Conley T. Raymond, 33, of Logan was one of three people killed Sunday in a two-car headon collision about six miles west of Rock, Wyo. on U.S. 30.

The other victims were Frank Shray, 32, and his wife, Doris, 43, of Cheyenne.

The Highway Patrol said Shray had crossed a double yellow center line and was passing other vehicles when his car rammed into that of Raymond. Shray was killed instantly and the other victims died a short time later in a Laramie, Wyo., hospital.

ENROUTE HOME

Major Raymond was on his way home from Ft. Rucker, Alabama at the time of the fatal mishap. His wife, Kathleen and son Jeffrey had arrived a week earlier. Maj. Raymond, a career serviceman, was being sent to the University of Utah to receive a master's degree in educational television. He had served for some time as film liaison officer of the Aviation School at Ft. Rucker.

He was born in Logan April 11, 1936, son of G. Frank and Reta Mae Hansen Raymond.

After attending Logan City schools and graduating from Logan High, he attended USU one year, then enlisted for four years with the U.S. Air Force. On completion of this enlistment, he returned to Utah State and graduated in the School of Agriculture and Applied Sciences. He was affiliated with Sigma Nu while at USU and an honor ROTC student.

COPTER PILOT

Raymond again entered the service with the U.S. Army Signal Corps as an officer at Ft. Monmouth, N.J. In June 1961 he entered training as a helicopter pilot at Ft. Wolters, Texas. His distinguished career included two tours of duty in Vietnam in 1963-64 and again in 1967-68. Often decorated for valiant and distinguished service, he was recipient of the Air Medal numerous times, had 21 Oak Leaf Clusters, the Distinguished Flying Cross, Bronze Star, the Army Commendation Medal and the Purple Heart.

Maj. Raymond was active throughout his life in the LDS Church, actively participating wherever stationed. His last assignment while in Alabama was Aaroric Priesthood Youth Advisor to the Southern States Mission. He had also served as District Councilman, counselor to the District president, general secretary of the Ozark Branch, and had taught in the Sunday School and served as a home teacher.

On March 17, 1960, he married Kathleen Bosworth in the Logan LDS Temple. He is survived by his wife, a son Jeffery and his mother, Mrs. Reta H. Raymond, grandparents, Mr. and Mrs. Moroni Hansen, all of Logan; a brother, Lannie F. Raymond, Bountiful, a sister, Mrs. Karl (Carol) Koerner, also of Logan. His father, G. Frank Raymond, former Logan City School Board clerk and administrative assistant, passed away in 1963.

SMOKING AND HEALTH

Mr. MOSS. Mr. President, Science magazine for June 13 contains an article written by Luther J. Carter which is a perceptive analysis of the issues involved in the legislative battle now shaping up on smoking and health.

I commend it to all who wish a quick review of what has happened in the past and what lies ahead.

I ask unanimous consent that the article, entitled "Smoking and Health: Closing the Ring on the Cigarette," be printed in the RECORD.

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

SMOKING AND HEALTH: CLOSING THE RING ON THE CIGARETTE

Four years ago, when the first major legislative struggle on the smoking and health issue was taking place, lobbyists for the tobacco industry and their congressional allies handled the antismoking forces as deftly as a cowhand from Marlboro country might rope a calf. Now, however, the smoking and health question is again agitating Washington, and this year the tobacco industry's problems look less easily manageable.

In coping with the health issue in 1965, the industry clearly made the best of adversity. The 1964 report of the Surgeon General's Advisory Committee on Smoking and Health had said that cigarette smoking was causally related to lung cancer in men; that it was the most important cause of chronic bronchitis; and that it was associated closely with other ailments, including coronary heart disease, to be highly suspect as a possible causal factor. Here, for the first time, was a warning against cigarette smoking by a federally sponsored panel of experts whose membership had been approved by the tobacco industry—a warning which, moreover, was stated as plainly as a skull and crossbones.

In light of this development, voluntary health agencies such as the American Cancer Society had reason to hope that, if Congress took no effective action of its own to discourage smoking, it would at least not prevent such action by the state and federal regulatory agencies. But Congress, aided by the tobacco lobbyists and its own talent for grinding sharp edges off unpleasant facts, enacted the Cigarette Labeling Act, requiring on each cigarette package the message "Caution: Cigarette Smoking *May be* (emphasis supplied) Hazardous to Your Health."

Worried as it was about court suits being brought by cancer victims or their survivors, the tobacco industry itself saw an advantage in having a warning label, particularly if worded as mildly as the one Congress adopted. Yet, from the industry's standpoint, the labeling act had a still greater merit: It largely preempted other action in the smoking and health field for a 4-year period. Principally, this meant that the Federal Trade Commission (FTC), which had been moving to require a strong health warning on cigarette packages and in all advertising, was powerless to act.

Despite this setback in Congress to their cause, the antismoking forces—led by the U.S. Surgeon General and private groups such as the Cancer Society, the National League for Nursing, and the National Congress of Parents and Teachers—have persevered in their crusade, using every means of publicity and persuasion at their command. Though their financial resources have been limited compared to the tobacco industry's, these forces nevertheless represent a broad, powerful coalition of health and civic organizations which are active in nearly every community. Furthermore, the propaganda resources of a major government agency such as the U.S. Public Health Service are substantial. For example, the PHS once had 53,000 U.S. mail trucks displaying a large poster reading "100,000 Doctors Have Quit Smoking (Maybe They Know Something You Don't)."

In June of 1967, the Federal Communications Commission (FCC), to everyone's surprise, applied its "fairness doctrine" to cigarette advertising, holding that broadcasters who carry cigarette commercials must also carry some antismoking messages. The result was that the PHS and the Cancer Society and other voluntary health agencies suddenly found their antismoking "spots," which most broadcasters had been leery of using, in heavy demand.

Clearly, the smoking and health issue has been kept alive, and smokers gradually are responding. Per capita consumption of cigarettes has gone down by almost 3½ percent since release of the report by the Surgeon General's committee in early 1964. Furthermore, production during the first 3 months of 1969 was about 1.5 million packs a day below that for the same period in 1968; this suggests that there are now about 1.5 million fewer smokers, inasmuch as the average smoker consumes about a pack a day.

In Congress, the smoking and health issue has been an embarrassment because it touches the financial nerves of a sizable block of southern and border states (some of them potently represented in the House or Senate) and of the broadcasting and other media which carry cigarette advertising. Smokers spend $9 billion in the United States each year on cigarettes. They are egged along in their habit, and sometimes lured into it, by advertising, for which the cigarette companies spend more than $300 million annually, some $245 million of that amount being used to buy commercials on television and radio. For no other product does the volume of broadcast advertising come even close to equaling this amount. And tobacco farming and manufacturing also are big businesses, on which some 600,000 farm families and 36,000 factory workers depend for all or part of their income.

However politically sensitive and inconvenient the matter may be, Congress is again having to consider the smoking and health issue. The 4-year preemption with respect to action by the regulatory agencies is about to expire, and both the FTC and the FCC propose to take strong measures. The FTC has called a public hearing for 1 July, the first day following expiration of the preemption, on a proposal to have all cigarette adverstising warn that "cigarette smoking is dangerous to your health and may cause death from cancer, coronary heart disease, chronic bronchitis, pulmonary emphysema, and other diseases." According to tobacco industry spokesmen, a requirement for such warning could lead cigarette manufactures to give up advertising altogether. The Federal Communications Commission has, for its part, proposed a direct ban on cigarette advertising on radio and television, though it has raised the question of whether an exception should be made for messages about cigarettes of low tar and nicotine content.

INDUSTRY ALLY

This time, the tobacco industry may find it difficult to persuade Congress to block the proposed agency rules. Yet the industry has a major ally in the House Commerce Committee, which recently approved, by a vote of 22 to 5, a bill extending for 6 years the preemption against agency rule-making. State action also would again be preempted. As a concession to the antismoking forces, the bill would strengthen a bit the cautioning label on the cigarette package.

But there is no reason to think that the antismoking people can be bought off so cheaply. Sentiment in the House Commerce Committee is not to be taken as typical of that in the Congress as a whole. On this committee, which often finds spiritual guidance on controversial issues in chamber-of-commerce manuals, there are nearly a dozen congressmen from tobacco states and they seem to dominate the group's deliberations on the smoking and health issue.

When the Commerce Committee reported out the bill, Representative Harley O. Staggers of West Virginia, chairman of the committee, showed no great confidence in what had been wrought, saying that the measure is likely to be amended on the House floor. "I felt this should get to the floor so the debate would be before the American people instead of in a closed room here," he told a newsman. As this is written, the prospects are that the bill will reach the floor soon, possibly this week. Various proposals to restrict cigarette advertising or to require strong warnings were defeated in committee, but they will be heard again on the floor. More than 50 members of the House have introduced bills to require a strong warning on the cigarette package and in all cigarette advertising.

Should the committee bill nevertheless pass the House more or less intact, its chances of receiving favorable action in the Senate are poor. In his reelection campaign last year, Senator Warren Magnuson of Washington, chairman of the Senate Commerce Committee, presented himself to the voters as the consumer's champion, a kind of paunchy Ralph Nader who would "keep the big boys honest." But for Magnuson, the Cigarette Labeling Act of 1965 would have preempted action by the regulatory agencies permanently, not just for 4 years. And, while Magnuson has been known to make a deal, if he makes one this year with the tobacco lobbyists, he probably will exact stiff concessions.

Given the right terms, a deal indeed may be possible. "If the cigarette industry were to agree to the elimination of substantially all broadcast advertising, I think it just might be given freedom from regulation of

advertising in the print media," says one observer who is close enough to Magnuson and the committee for his speculations to carry weight. Many conservatives in Congress, seldom in accord with agency rule-making that puts new limits on the freedom of business, probably would applaud a settlement that would take the smoking and health issue out of the hands of the FTC and the FCC.

But any bill passed by the House would go to the Senate Commerce Committee's consumer subcommittee, chaired by Frank E. Moss of Utah—and the Moss strategy is to block congressional action in the smoking and health field this year and have the FTC and the FCC act on their proposed rules. Moss, a Mormon, is deeply concerned about the health hazards of smoking and insists that he is not interested in bargaining with the tobacco lobbyists. His strategy is promising, for Congress is a place of labyrinthine rules and procedures, and one of the things it knows best is how to do nothing. Moss says that, if necessary, he will filibuster against any legislation that would prevent the agencies from regulating cigarette advertising. He claims to have the support of more than enough senators to keep the foe from mustering the two-thirds majority necessary to invoke cloture. For the tobacco-state senators, mostly southerners who swear by the right of unlimited debate, even to try to break a filibuster would be a historic switch.

NEW CIRCUMSTANCES

As this year's struggle between the cigarette industry and the antismoking forces is joined, it is pertinent to note the following new circumstances:

In its efforts in 1965 to forestall agency regulation, the tobacco industry promised to carry out an effective program of self-regulation. The industry's "Cigarette Advertising Code," administered by Robert B. Meyner, former governor of New Jersey, was to put a stop to all abuses, including appeals to juveniles. But in the FTC's view, the code has been a failure. In its 1967 report, for example, the commission noted that "the average American teen-ager sees more cigarette commercials on network television than does the average American." Moreover, the FTC denounced the industry last year for first planting in True magazine an article debunking the proposition that smoking is a cause of cancer, then promoting it surreptitiously through newspaper advertising. The National Association of Broadcasters has a cigarette advertising code also, but a former NAB employee is now charging that it is a public relations "facade."

Since 1965 Congress has become far more consumer-conscious than ever before. In the pre-Nader era, one scarcely could have imagined, for example, Congress defying Detroit by passing strong automobile safety legislation. As Senator Magnuson and others have demonstrated, doing battle for the consumer is good politics, and few if any consumer-protection issues are more on the public's mind than the smoking and health issue.

Four years ago a potent coalition of tobacco, advertising, and broadcasting interests was behind the Cigarette Labeling Act. While this alliance still exists, it is showing signs of strain and even some cracks. For instance, the Washington *Post* Company's several broadcasting stations are now refusing cigarette advertising, and some other companies, including Westinghouse Broadcasting, are doing the same. Recently, Advertising Age, an advertising trade publication, called for the tobacco companies to practice better self-regulation in their advertising and observed that "the rest of the advertising business cannot be expected to support unyielding resistance indefinitely."

The view that cigarette smoking is a threat to health has been supported by a broadening consensus of medical opinion. The membership of the National Interagency Council on Smoking and Health presently includes such groups as the American Academy of Pediatrics, the American College of Physicians, and the American College of Surgeons, as well as such charter members as the American Cancer Society and the American Heart Association. Though it has never joined the council, the American Medical Association last year took a strong stand against cigarette smoking.

In successive annual reports to Congress, the Department of Health, Education, and Welfare has added progressively to its indictment of smoking. For example, cigarette smoking is now described as the *main* cause of lung cancer in men and as a factor contributing to many deaths from coronary heart disease.

In attempting to cope with the current threat, the cigarette industry's Washington lobbying organization, the Tobacco Institute, is playing on two major themes. One is its contention that to allow the FCC and FTC to go ahead with their proposed rule-making would wipe out cigarette advertising in all media. The industry lobbyists argue that rule-making of this kind could ultimately be extended to other products now being legally sold. According to this view, the advertising of whiskey, beer, or even milk (with its cholesterol content), for example might be made subject to special rules and restrictions.

The lobbyists' other major theme, and the more basic one, is that the case against the cigarette has not been made—that the smoking and health issue is an unsettled "controversy." And, in fact, during the hearings of the House Commerce Committee several weeks ago, nearly a score of expert witnesses testified at the Tobacco Institute's request and still others submitted statements. These witnesses, who included some medical researchers of distinguished credentials, challenged the reliability of data or noted inconsistencies in data used in past studies linking smoking and illness; others suggested that unknown factors, such as possibly a constitutional susceptibility to heart disease by the kind of people who tend to become heavy smokers, may explain the association between smoking and illness and death. A statement frequently heard—and one that has long been central to the tobacco industry's argument—was that cigarette smoking and illness are only linked statistically, and that this is no proof of causality.

U.S. Surgeon General William H. Stewart, in a recent letter to the chairman of the Commerce Committee, has rejected all of of these criticisms and has observed: "We do not impugn the sincerity of the witnesses when we say that, in our opinion, the main thrust of their testimony is a threat to medical practice in this country, to the progress of our medical and health agencies, and to the health of our people." To be in disagreement with a medical consensus does not, he conceded, necessarily mean one is wrong; but, Stewart added, "it does not entitle one to say, as one witness said, that medical opinion about cigarettes has come about because physicians are gullible and have been brainwashed by the Public Health Service and the voluntary health agencies."

Earl Clements, president of the Tobacco Institute and a former U.S. Senator from Kentucky, has expressed "shock and amazement" at the Surgeon General's words. Seldon C. Sommers, director of the industry-sponsored Council for Tobacco Research and director of laboratories at Lennox Hill Hospital in New York, has charged that Stewart's statement was "irresponsible" and "demagogic."

But, clearly, the tobacco industry's minority position is not an easy one to maintain. Unless a compromise can be reached with the antismoking forces, and the latter may see no need to make a deal, the tobacco industry could conceivably find its cause in grave trouble. Success of the Moss strategy would leave the FCC free to ban cigarette advertising from the air and would leave the FTC free to require a conspicuous warning in advertising in all media. The voluntary health agencies probably could persuade many broadcasting stations to carry, as a public service, antismoking messages, even though the fairness doctrine would not be relevant in the absence of cigarette commercials. The PHS, no doubt, would continue, through the schools, the health professions, and the media, its campaign against smoking.

In short, the groundwork for an effort to eliminate cigarette smoking as a pervasive social habit may be further along than many imagine. As a PHS official has noted, one forgets that the history of the weed has been brief, the cigarette having first appeared in the United States in 1910, as a cheap, attractive substitute for tobacco chewing, an "evil" that was soon largely to disappear from polite society. Now, the cigarette itself may just possibly be on the verge of a precipitous decline, though perhaps it may never be as outmoded and offensive to good taste as the plug of tobacco and the spittoon.

REGULATION OF TOBACCO INDUSTRY AND ITS ADVERTISING—ADDRESS BY SENATOR COOK

Mr. BAKER. Mr. President, on June 9 the distinguished junior Senator from Kentucky (Mr. COOK) addressed the Burley Auction Warehouse Association on the question of regulation of the tobacco industry and its advertising.

Senator COOK presented a cogent argument for his side of this controversial issue, and I believe that other Members of Congress would be most interested in his views. I, therefore, ask unanimous consent that his speech be printed in the RECORD.

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

REMARKS BY SENATOR MARLOW W. COOK BEFORE THE BURLEY AUCTION WAREHOUSE ASSOCIATION, FRENCH LICK SHERATON, FRENCH LICK, IND.

Regardless of whether one favors or disapproves many of the proposals enacted during the New Deal, the result has been the rise of a modern bureaucracy which has divided the Executive Branch between, what a well-known author has recently called, "the presidential government" and "the permanent government." Arthur Schlesinger, not known for his skepticism about liberal causes, described the relationship between permanent and presidential government this way:

"In this complex relationship, the presidential government has preferences and policies backed by a presumed mandate from the electorate. But the permanent government has preferences and policies of its own. It has vested interests of its own in programs; it has alliances of its own with congressional committees, lobbies, and the press; it has its own particular, and not seldom powerful, constituencies. Also, it is around longer. We now have, in consequence, four branches of government."

The four branches the author refers to are, of course, the Executive, the Judicial, the Legislative, and the ever-burgeoning bureaucracy which he calls the "permanent government". I think the term "permanent government" is an excellent term to apply to the maze of overpaid and unresponsive agencies which are usurping the prerogatives of the constitutionally designated branches of our government. Of course, we in the Congress and a series of unaware Presidents must

bear a large portion of the responsibility for the proliferation of agencies and the unrestrained delegation of our constitutional powers to them. But it is not too late. There is a growing awareness in Congress of the danger of policy-making by non-elected bureaucrats. And after all, Congress and the Executive branch which originally created these regulatory agencies and vested them with authority, certainly has the right to later restrict that power when it so chooses.

Even though its members are not appointed for life but for lengthy terms of *SEVEN* years each, the best and most dangerous examples of the "permanent government" are found in the Federal Communications Commission and the Federal Trade Commission. The recent activities of these branches of the "permanent government" in regard to the restriction of cigarette advertising on radio and television and the labeling of cigarettes with health hazard warnings are well known to all of us. These activities present a real and present danger that our tobacco industry which is so important to my own and many other states will be wiped out or seriously impaired. Tobacco is a legal crop and a legal product through which over 650,000 Americans make their livings. The annual cash value of tobacco is $1.3 billion and exports alone were valued at $636 million in 1968.

Regardless of what we all read, I am convinced that the current controversy is really not between the tobacco industry and the so-called anti-smoking health forces. This is really a power struggle between several agencies which feel they have become autonomous and the Congress of the United States which is, after all, elected by the people. Let us review briefly the legislative history and current status of the controversy.

The Cigarette Labeling Act of 1965 requires a health caution on all cigarette packages. In addition to annual reports to Congress by the Department of Health, Education and Welfare on smoking and health, the law also requires reports on cigarette advertising developments by the Federal Trade Commission. The act prohibits regulation in the area of advertising and labeling of cigarettes by the FTC, FCC and by the states. Unfortunately, this latter provision is scheduled to expire June 30 of this year. Because of this expiration provision Senator Frank Moss, of Utah, leader of the antitobacco forces in the Senate, announced earlier this year that the tactic of that group in 1969 would not be to press for new legislation but to allow the act of 1965 to expire as scheduled, thus giving the FTC and FCC a free hand to ban advertising and require unproven warnings on cigarette packs.

But the tactics of the anti-tobacco forces have not succeeded yet and we are doing what we can to insure their defeat. Most of the action this year has been centered in the House of Representatives. The House Commerce Committee reported, by an overwhelming 22–5 majority, a bill very similar to the current law with but two exceptions

(1) Congress would retain its jurisdiction to the exclusion of the FTC, FCC and the states, for an additional six years, and

(2) The caution on cigarette packs would become a warning.

Congress must move with dispatch to enact the bill reported by the House Commerce Committee, or a similar bill, under which Congress itself would retain the power to regulate, if there is to be regulation, in the field of advertising and labeling of cigarettes. The FCC has already announced that if we in the Legislative branch allow the Cigarette Labeling Act of 1965 to expire on schedule this month, they will move to ban all broadcast cigarette advertising. The only good thing that could possibly come out of such a ruling is that, at least, the anti-smoking announcements being currently broadcast free under the so-called "fairness doctrine" of the FCC would also be terminated. In addition, the FTC can hardly wait and has already announced it intends to require a warning on cigarette packs which state that smoking does in fact cause several diseases. The fact that medical testimony on smoking and health is confused and inconclusive would seem to be irrelevant to this agency.

Regardless of what action these agencies of the "permanent government" are allowed to take, certainly tobacco in the form of cigarettes will remain a legally marketable product. And since this will be the case, serious constitutional objections can and will be raised to continued attempts to limit the advertising of a legal product. If such restrictions are ruled constitutional what will be next? It could be certain meats and dairy products, automobiles, candies, or anything else which might be construed as hazardous to health.

The battle lines have been drawn. The question is who shall make life or death decisions about a legal industry with an inherent right to advertise, Congress, the duly elected body of the people, or that autonomous agency of bureaucrats in the branch of government we have designated the "permanent government". Unfortunately, some of my colleagues have begun to believe in the invincibility of the bureaucracy. Some have even argued that Congress does not have any responsibility in the area of cigarette advertising and labeling. Well, my reply to that contention is, as I said earlier, that nothing belongs to an agency unless Congress creates that body and vests it with authority. We must extend the Cigarette Labeling Act of 1965 so that congressional control of this important subject may be maintained. The power of this so-called "permanent government" must and will be restrained by a vigilant Congress made aware of the dangers of unrestrained, undemocratic decision-making.

FOOD ASSISTANCE PROGRAMS IN VIRGINIA

Mr. SPONG. Mr. President, on April 15 and 18, I placed in the CONGRESSIONAL RECORD reports on the first phase of a tour of Virginia to study existing food assistance programs and the extent of hunger and malnutrition which existed. The first phase of the tour, taken over the Easter congressional recess, concentrated on rural areas.

Recently, over the Memorial Day recess, I completed the second phase, which focused on urban areas. While the report on the second phase of the tour does not discuss either the national school lunch program or the possible use of educational television to help educate lower income families, both of which were covered in detail in my April 18 statement, the report does compare and contrast the problems of hunger and malnutrition as they affect urban and rural areas. In addition, it outlines the courses of action I am currently pursuing.

These reports, taken together, reflect my purpose and intent in taking the tour, the findings and results of the tour and suggested means for meeting the problems which were found to exist. In other words, the reports, I believe, speak for themselves. I ask unanimous consent that the report on the second phase of the tour be printed in the RECORD.

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

FOOD PROBLEMS IN VIRGINIA

During the Memorial Day Recess, I concluded a tour of Virginia to study the extent of hunger and malnutrition and to evaluate existing food programs. On this phase of the tour, I focused on the urban areas of Richmond, Norfolk and Portsmouth, whereas I had visited predominately rural areas over the Easter Recess. The approach on the second phase of the tour differed somewhat from the approach used during the first phase. In April, I visited with a number of families to obtain a first-hand view of their problems and to discuss their individual situations with them. Over the Memorial Day Recess, however, I used more of an institutional approach: I met with numerous persons who work daily with lower-income citizens and who are, consequently, in a position to know the extent and character of the nutrition and poverty problems involved. I also attempted to learn about the variety of programs which are available to lower-income groups, so that I could evaluate existing efforts and determine where new activities are needed. Two members of my staff did, however, visit with several families in urban situations.

URBAN AND RURAL DIFFERENCES

There are perhaps two striking differences between urban and rural problems. First, urban nutritional problems are compounded by over-crowding, poor housing and high rents, and often by a lack of the sophistication necessary to deal with city life. Time and time again during the second phase of the tour, we were told of cases where money was coming into the home but where a large portion went for high rents common to metropolitan areas.

Two of my staff members found an elderly couple—82 and 84 years old—living on $88 a month Social Security. Of that $88, the couple paid $45 a month for rent, not including utilities.

In addition, we were told of families from rural areas who simply did not know how to cope with urban problems. We heard of one case where the children were told to ring neighbors' doorbells and ask for money to buy food. We heard of another case where there was no food in the house and rent had not been paid, partially because the mother did not know how to use the city's transportation facilities.

Secondly, in the urban areas assistance is perhaps more readily accessible to those who need it. For example, in a rural area, transportation to a health clinic or a food assistance center is much more difficult than in an urban area. Also, the concentration of people in an urban area means a concentration of resources which can be brought to bear upon existing problems.

The problems encountered in the urban areas were, however, quite similar to those encountered earlier in the rural areas. There were no reports of starvation. There were however, reports of persons who were without food. These reports came from city health, welfare and school officials and from antipoverty workers. In some cases, lack of funds was given as the cause for lack of food; in others, mismanagement of available funds, unwise purchasing habits and irresponsible actions were reported as causes.

There were reports of anemia, of listless, apathetic children with stringy hair and pasty complexions—the signs of iron and protein deficiencies. There were reports of undernourishment and diet inadequacies.

MORE MEDICAL DATA NEEDED

In attempting to identify the extent of these problems, we encountered the problems which have constantly beset us: lack of medical data on malnutrition and its consequences, lack of scientific surveys and follow-ups and lack of general knowledge on nutrition.

Hospitals generally see only the most severe cases of malnutrition or malnutrition in conjunction with disease and other medical problems. Tests which have been con-

ducted on pre-school children in various centers have sometimes been conducted after the child has been in the program a year or more and has benefited from the nourishment provided by the program; whereas a better indicator of the child's condition and the program's benefit would be a test of the child at the beginning of the program, and, perhaps, on a yearly basis thereafter.

Finally, on the lay level, there is still a failure to realize that listless children with vacant expressions, that fat children with pasty complexions and that some tired children with stringy hair are undernourished or malnourished and that they suffer physically and mentally as a result. And, on the professional level there are some differences of opinion as to the best indicators of malnutrition, how to determine the severity of a case, and the exact relationship between malnutrition and physical and mental development.

What we have found, then, is a pyramid-like situation. At the pinnacle there are the severe cases of manutrition, those who are without food at certain times—and the number of these cases is relatively small. In the middle there are the less severe cases—the iron deficiencies and protein deficiencies and similar problems. And, at the base, there are the borderline cases—the cases which are often overlooked or ignored because of the necessity of attending to more pressing medical or welfare problems, with limited personnel and resources.

Into this pyramid, an unknown factor must be programmed. That unknown factor is those who have been missed. Without exception, the officials in the various agencies we visited agreed that here were needy people who were not being reached—people who did not know what aid was available or how to find out and people who did not know if they qualified for assistance. How many of these people there actually are remains a guess. It is, however, probably safe to assume that many of these persons would fall into the upper portion of the pyramid.

NEW INFORMATION ON EFFECTS OF MALNUTRITION

While I was studying the incidence of hunger and malnutrition in Virginia, new medical information on the consequences of hunger and malnutrition was released. The President's Committee on Mental Retardation issued a summary of certain papers presented to the XII International Congress of Pediatrics last fall. These papers indicated that human and animal studies are accumulating evidence that "poor nutritional status of the mother is an important factor in maternal illness, fetal deaths, prematurity, neonatal deaths and morbidity of the liveborn infants" and that "it has been shown in pilot experiments that quite mild undernutrition at the time of fastest brain growth in the rat, followed by an ad libitum diet, results in permanent reduction of brain size, cell number and myelin lipid content, and that these results cannot be achieved in the adult (rat) even by the most severe starvation."

Furthermore, a study conducted by Myron Winick of the Cornell University Medical College and Pedro Rosso of the University of Chile indicated that severe early malnutrition retards cell division in the human brain, thereby limiting brain development.

If what we do know of the medical consequences of malnutrition is associated with what we do know of the incidence of hunger and malnutrition in Virginia—and in the United States—it may be assumed that there are children whose mental capacity is being hampered by an inadequate diet. In addition, we can assume that there are many others whose physical development is being hampered.

The child who is too tired and too apathetic to play is also the child who is too tired and too apathetic to learn. This is the child who is likely to fall behind in his schoolwork, to become a drop-out and to end up on the welfare rolls of the future.

As I have said before, there is insufficient data available to indicate all the causes, consequences and relationships of malnutrition and physical and mental development, or the extent of malnutrition either in Virginia or the United States.

EXISTING PROBLEMS CITED

I have, however, seen people who told me of times when they were without food. I have had school nurses, teachers and other personnel tell of children who become sick in the middle of the morning from lack of food, of children who eat only one meal a day—the lunch provided at school. I have had city health and welfare personnel report of finding families without food.

I have had various health, welfare, school and antipoverty personnel refer to anemia rates, height and weight percentiles of children, infant mortality rates and case histories as evidence that undernourishment and poor nourishment do exist.

I have been shown infant mortality rates which show infant mortality to be far higher in low-income areas than in higher-income areas of the same city. I have seen infant mortality statistics which indicate a higher death rate (1) in the United States than in many Western European countries, (2) in the more populous areas of Virginia when compared to less-concentrated ones and (3) among non-whites when compared to the white population. While infant mortality rates are not conclusive evidence of malnutrition, malnutrition is generally one of the factors contributing to a high rate. Because of this and because earlier studies made use of infant mortality rates, I felt it necessary to review them.

During the tour, I visited food distribution centers, school lunch and breakfast programs, health clinics, Head Start centers, antipoverty agencies and various welfare activities. We found homemaking programs—programs in which an individual is sent into a home to help the mother—operated by health, welfare and anti-poverty employees and by agriculture extension services. These programs represent an impressive approach. There will, however, undoubtedly have to be new efforts to correlate these homemaking programs, just as there will have to be new efforts to co-ordinate the various programs providing food for school and pre-school children. In addition, however, the homemaking programs must reach more people.

ACTIONS TO BE TAKEN

As a result of the tour, I am taking the following actions: I will introduce legislation to provide funds for research and surveys on malnutrition and to assist states in providing health services designed to prevent and overcome hunger and malnutrition; I am working within existing programs to obtain funds for a survey on malnutrition; and I am in the process of organizing a conference to advise and assist those educational television stations which are interested in pursuing nutrition programs for low-income families, as I suggested earlier. I believe urban areas particularly should investigate the possibility of instituting the new food supplement program. Under this program public health officials write prescriptions for special foods for infants and mothers. These prescriptions are then redeemable for the foods specified. The foods may be available at commodity distribution centers or other local offices. The program should be beneficial to any area with a high infant mortality rate.

Furthermore, family planning services should be expanded. The largest families were often those with the most problems. This was evident from our visits; it was also noted by health, welfare and anti-poverty personnel.

In addition, I will support legislation to make food assistance programs more available and more accessible. I have previously stated that additional Virginia communities should participate in either the food stamp or the commodity distribution program. Participation by Virginia localities in food assistance programs has been quite low, with forty-seven localities still lacking programs. I would like to see 100 percent participation.

The recent meetings which have been held throughout Virginia to acquaint non-participating localities with the programs are a step in the right direction.

While I am most pleased that President Nixon has recognized the need to reform and expand food assistance programs, I find the means of achieving full participation as proposed by the Nixon Administration on June 6 short-sighted. By requiring all localities in a state to participate in a program in order for the state to receive *any* funds for food assistance programs, the federal government would be placing itself in a position to deny aid to needy persons who are already receiving aid in participating localities. It is another instance of cutting off your nose to spite your face. In addition, the approach penalizes one part of a state for the action or lack of action of another.

Federal food assistance programs operate best when they are accepted and operated by the localities. If programs are forced upon officials, they may be poorly administered and ineffective in reaching the needy.

If localities refuse to initiate programs after being given reasonable time and encouragement, some action should be taken to aid the low-income people in that locality. However, it makes more sense to me to permit non-profit private groups or the U.S. or State Agriculture Department to operate programs in non-participating localities than to cut off funds granted throughout the state for food programs and thereby penalize the needy and the compliant along with the recalcitrant.

Food is the most basic necessity of life. There is something embarrassing about a lack of it—either on an individual basis or as a community problem—whether it be caused by a lack of funds or an inability to budget limited funds. Pride often keeps those who need help from asking for it. Pride often makes a community reluctant to admit that a problem exists.

The evidence which is accumulating on the correlation between nutrition and normal mental and physical development demands that we admit our problems and take actions to meet them. Certainly there are those in our society who are indolent and irresponsible. But, a large number of those who need help are elderly, unable to work and susceptible to disease; disabled; or children, who cannot be responsible for themselves. We cannot ignore our elderly and disabled. If we, as adult citizens, do not accept some responsibility for seeing that these children receive the nutrients necessary for proper development today, we may be forced to accept responsibility for the unemployable adult of tomorrow.

Provision of food by itself or increasing purchasing power, while necessary in a number of cases, is not the complete answer. Time and again, health, welfare and antipoverty personnel noted that ignorance and misunderstanding of proper nutrition, good housemaking and wise budget planning compounded the problems of low and marginal income families. The family with limited funds needs to plan and operate more carefully and efficiently than persons with higher incomes. Yet these same people are, by education and training, less able to do so. To expect these persons, without help, to plan as efficiently as a high school or college graduate might is illogical. In an April report, I noted the need for short and long range education, and I reemphasize that need now.

Finally, because of inquiries, I would like to emphasize that the trips were taken during Congressional recesses and were financed by me personally. Total cost for six days of visits in Virginia, mostly for transportation, food and lodging for myself and my staff, was $678.

I am confident that legislation will be enacted this session of Congress to make food available to many people who have a genuine need. But, beyond the passage of legislation and the appropriation of funds, I believe this problem calls for a far greater understanding of the needs of many Americans by those who have not had an opportunity to witness first-hand conditions of poverty which can be found in almost any part of the United States at a time when we are experiencing unequalled economic prosperity.

THE ENVIRONMENT BELONGS TO YOUTH

Mr. HANSEN. Mr. President, much of the earth has been transformed almost beyond recognition by the great mass of mankind and man's ingenuity.

Only in recent years has it become apparent to man that the resources of this planet are exhaustible. From our considerable efforts to attack environmental problems, we now know that these resources are not easily renewed—if at all.

The wonderful technological advances in this country have relieved much back-breaking drudgery and brought a degree of comfort and convenience unimaginable even in the last century. The main results are worthy of high praise. But the byproducts of these achievements give cause for alarm—and especially among the youth of America, who stand to inherit the legacy of pollution for which our times may become best known if careful stewardship of the environment is not continued with sound planning.

It is estimated that each year the United States has 142 million tons of smoke and noxious fumes pumped into its atmosphere. This totals more than 1,400 pounds per person.

More than 7 million automobiles are discarded annually, along with 20 million tons of waste paper, 48 billion cans, and 26 billion bottles and jars. Our waterways receive some 50 trillion gallons of hot water per year from industry, plus unknown millions of tons of chemical and organic pollutants from plants, farms, and cities.

Government, at all levels, is recognizing the seriousness of this situation. All of the people, as well, must be made aware of the dangers, and encouraged often to do their part in the important work of preserving our natural environment.

Many farsighted citizens, having recognized the need for good stewardship of our resources, have formed clubs and associations to make their views better recognized. One such organization is the Wyoming Wildlife Federation. This is the pledge of that federation:

> I give my pledge as an American to save and faithfully to defend from waste the natural resources of my country—its soil and minerals, its forests, waters and wildlife.

The Wyoming Wildlife Federation is not a social club, nor is it an honorary club. Its members work to educate people, and to encourage concern about conserving our resources and insuring that these resources are wisely developed. There are many aspects to their endeavors. One of the most important is the education of young people as to the environment they will inherit.

A young student from Casper, Wyo.—Miss Colleen Cabot—is a senior division winner in the National Wildlife Week Essay Contest. Her realistic essay appears in a publication of the Wyoming Wildlife Federation of May 1969.

She points out that "the entire world cannot be converted into a wildlife refuge," but that "preserving and restoring wildlife habitat is a matter of concern for all people."

Colleen makes her points well. I ask unanimous consent that her essay be printed in the RECORD.

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

HABITAT: THE PROBLEM AND THE NECESSITY

(By Colleen Cabot, winner, Senior Division National Wildlife Week Essay, Casper, Wyo.)

Preserving wildlife habitat is becoming a progressively harder task to accomplish. In the first place, good habitat is dwindling fast, and, secondly, it is difficult to convince people of the necessity for quality habitat. Many do not realize that their own well-being as well as the survival of wildlife depends on this thing called habitat.

Defining wildlife habitat is not a simple matter, for each species has its own specific requirements. However, clean water and air, adequate vegetation and space are basic requirements for all life forms. In some cases, the isolation of wilderness is also needed.

Many predators rely on wilderness for survival mainly because here they are removed from direct competition with the interests of men. Most species, however, have not been exterminated outright by men; their habitat has been destroyed or seriously altered by the encroachment of civilization. Pesticides have taken their toll and pollution has limited the available water habitat. Land-fill projects and marsh drainage, poor land management, and destruction of virgin lands have cut the numbers of many species. Wilderness areas now offer the only suitable habitat for those species which are not compatible with man, for this is the only land classification which insures protection against man's greed and abuse. Many conservationists, in this era of the multiple use principle, shy away from the thought of such limited use. But in some cases, the habitat will not tolerate the scattered and varying projects of mankind—if it is to be quality habitat for wildlife.

But the entire world cannot be converted into a wildlife refuge, nor should it be overrun by a continuous metropolis. Numerous city parks, recreation areas, and hunting and fishing lands are necessary for a man's well-being, as well as providing good habitat for wildlife. Men must objectively evaluate areas that still have quality habitat and decide on their priorities for land use. Habitat restoration is very good term, but it cannot be applied to any great degree once quality habitat has been destroyed. Wise land management in all areas, however, will result in good wildlife habitat as well as in excellent living conditions for men.

Preserving wildlife habitat can range from keeping a thicket in the back forty, to building a waste control plant for an industrial complex. All projects, whether involving one backyard or an entire watershed, begin with individual initiative. Too many people sit back and wait for government grants to solve their problems instead of organizing a group to investigate, and plant a few thorns in the public conscience if need be. But things should not be allowed to dissolve at this point—criticism, when destructive, serves no purpose whatsoever. A plan must be devised to solve the problem.

Habitat in this community ranges from mountain forests, to stream-side thickets, to open rangeland. In many cases, this is privately owned, and the quality of the habitat rests with the wishes of its owners. These people can overgraze their land, spray sagebrush with abandon, or allow erosion to go unchecked by stripping a stream bank bare. On the other hand, they could make a conscientious effort to develop wildlife habitat compatible with their land use patterns. If pastures are managed correctly, wildlife will flourish alongside the livestock. Cabin owners can create wildlife cover from slash piles, develop roads away from a streambed, and refrain from haphazard timber cutting, although thinning dense stands could be most beneficial. Each individual should assess his own land value and take action to improve the habitat.

However, before action can be initiated, people must be made aware of the problems; education is one of the most important tools of conservation. People must be taught that man, no matter how adaptable or all-mighty he believes himself to be, is a member of the ecological community in which he lives and will eventually be affected adversely by the destruction of the quality of his habitat. Man must accept himself as an animal equipped with greater capabilities to destroy, but also holding a greater responsibility to preserve the habitat for himself and other species, if only for the fact that he is also dependent on their existence for his own survival. Man is enveloped in nature's web of life and holds the key to her balance because of his far-reaching knowledge and skills; but greed and a superior attitude toward other life forms have led him far down the path of degeneration and self-destruction. Large cities have removed a great section of the population from any direct association with the land, resulting in ignorance of nature's importance as well as her beauty. Those still living in rural areas, but surrounded by "creature comforts," have lost touch with nature's fragile complexity, resulting in further abuse. Cities, which should and could be tributes to man's creativity and awareness of his own habitat problems, have become sordid traps in many cases, where people barely exist. Caught up in his own phenomenal development, man has ignored the problems caused by his advancement and lunged ahead to create new wonders, leaving destruction in his wake. Mankind has got to slow down and take time for an objective evaluation, in the hope of solving his problems, not shirking his responsibilities.

Youth groups and school programs organized to offer lectures and the impetus for conservation projects foster proper conservation attitudes in young minds and provide a nucleus for community service and education. Armed with the knowledge gained through such an organization, these young people will recognize habitat problems and work for their betterment. They will tackle stream improvement and trash clean-up projects, investigate community beautification, look into career possibilities, and, most importantly, influence the attitudes of their parents and other adults with whom they may associate.

Education, through understanding, also inspires appreciation. Material values cannot explain the sense of joy in viewing foothills flecked with gold rolling to meet the grandeur of lofty peaks or the excitement of discovering a trumpeter swan. By learning that each creature is a living legend and an expression of nature's beauty and drive toward perfection, a person is not so likely to hinder its

chance for survival by exploiting the water and land, the food and shelter it needs. An understanding of an animal's relationship with its surroundings can curb ignorant exploitation.

An excellent means of education and pleasure is the development of trail systems. Nature trails can be simple or fancy, used for hiking or as a nature guide, for bikes or for horses. They are a path of access to natural areas, providing a way to travel, but interfering little with the habitat, if planned well. Interpretive signs can be employed effectively to explain habitat requirements displayed in an area, or to point out a den or a nest or a set of tracks in a specially designed track pit. Trails can wander through successive ecological zones, with signs explaining the fascinating world of a delicate mayfly nymph, the predatory habits of the hawks, stream-side growth progressing to forest trees, or the complexity of a desert community. Young people can be involved in this work and learn project, helping establish and develop the trail system as well as organizing a seasonal maintenance plan. Habitat improvement can be included; riffle areas can be created in a stream that is too fast and straight, cuttings can be piled off the trail for cover, bare areas can be reseeded. Nature trails open the door to an outdoor classroom with limitless possibilities as a conservation teaching aid.

Preserving and restoring wildlife habitat is a matter of concern for all people, for quality habitat insures the survival of wildlife species as well as of mankind. Each individual must become involved in his own home and community, or neither this generation nor its children will know the beauty and grace of a circling hawk or thrill to the myriad sounds of awakening spring. It could be a barren world, without even men in it to suffer its sterility. But it can also be a vibrant, beautiful, productive world for man and beast—it is up to you.

NATIONAL COMMITMENTS TO FOREIGN NATIONS

Mr. McGEE. Mr. President, the Senate shortly will take up the question of America's national commitments to foreign nations, and specifically the resolution, adopted by the Committee on Foreign Relations, which states:

A national commitment by the United States to a foreign power necessarily and exclusively results from affirmative action taken by the executive and legislative branches of the United States government through means of a treaty, convention, or other legislative instrumentality specifically intended to give effect to such a commitment.

I have grave doubts about the wisdom of this resolution, and so do many others. Among them is a columnist David Lawrence, whose observations are contained in a column published in the Washington Star of June 10. I ask unanimous consent that the column be printed in the RECORD.

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

CONGRESS' FOREIGN POLICY SQUEEZE

Whether it's a partial withdrawal of troops from Vietnam or other policies of President Nixon in international affairs, the important thing for the American people to bear in mind is that in most countries of the world there's a different conception of how our government functions than prevails in this country.

Many of the peoples abroad are familiar only with the parliamentary system. Thus, when they read that the Democratic party has a majority in both houses of the Congress of the United States, they assume that Nixon is subject to the control of his opposition party.

Hitherto, in international crises, Congress has overcome this difficulty by giving unified support to the president irrespective of party. Currently, however, the impression has been developed that President Nixon was compelled to arrange for a pullout of some troops from Vietnam and that this marks the beginning of a total withdrawal without regard to what the enemy does.

Perhaps the most significant thing that has been done in recent weeks to try to tell the world that the President of the United States is subject to the will of the majority party in the Senate and House was the adoption by the Senate Foreign Relations committee, by a vote of 11 to 1, of a resolution informing the President, in effect, how he should hereafter conduct foreign affairs. The declaration approved by the committee reads as follows:

"Whereas accurate definition of the term 'national commitment' in recent years has become obscured: Now, therefore, be it.

"Resolved, that it is the sense of the Senate that a national commitment by the United States to a foreign power necessarily and exclusively results from affirmative action taken by the executive and legislative branches of the United States government through means of a treaty, convention, or other legislative instrumentality specifically intended to give effect to such a commitment."

The Department of State is very much disturbed by this resolution and expressed its views in a letter urging that it not be adopted. The State Department in its dissent said:

"The Executive Branch tends to doubt the usefulness of attempting to fix by resolution precise rules codifying the relationship between the Executive and Legislative branches in the broad area of national commitments.

"While it is, of course, for the Senate to decide on the disposition of Senate Resolution 85, the Executive Branch recommends against its adoption."

Within the last few days members of the Foreign Relations Committee, including the chairman, have spoken out in opposition to the President's policies in Vietnam and particularly his support of the present government in Saigon.

The lack of cooperation between the Executive and Legislative branches of the government here has led to the feeling in Europe and Asia that President Nixon does not have the confidence of Congress. The belief is widespread that he will be unable to continue American participation in the war in a manner that will induce the North Vietnamese to begin to withdraw their troops and permit the setting up of a new government in South Vietnam elected by the people.

It may turn out that President Nixon, in order to make headway in the Paris peace talks and bring the Vietnam war to a conclusion, will have to assert his Constitutional authority to press for a negotiated settlement under some form of international supervision.

The simplest solution of all, of course, would be to turn the matter over to the United Nations Security Council. If the Soviets really wish to cooperate, progress could be made there towards ending the Vietnam war and establishing a mechanism to keep the peace, as has been done on other occasions in various parts of the world.

Once the United Nations took over the responsibility, a situation, to be sure, could develop like the one in Korea. While this is not altogether settled from the standpoint of reunification of the two parts of the country, South Korea is nevertheless at present being protected by a peacekeeping force under the command of the United Nations.

DESIGNING A SAFE BUT ATTRACTIVE AUTOMOBILE

Mr. BAYH. Mr. President, in the field of transportation a primary factor uppermost in the minds of many Americans in recent years has been the matter of automobile safety. With more than 55,000 persons killed and hundreds of thousands seriously injured in highway accidents during the year 1968, it is imperative that everthing be done to curtail this ever-increasing slaughter and maiming of our citizens.

Much attention has been paid to the research, testing, and engineering needed to develop auto safety features and devices. Congress has wisely adopted measures and appropriated funds intended to help protect the traveling public, and the producing companies have devoted considerable resources toward the same goal. However, certain safety proposals for vehicles have encountered some resistance on the grounds they were too ungainly or unattractive.

In this connection, I was very favorably impressed with an address delivered by Mr. Brooks Stevens to the Society of Automotive Engineers symposium at the New York Automobile Show in April. Mr. Stevens, who is a noted industrial designer, stressed the fact safety should be made visually palatable. He emphasized also that styling is not superfluous but an integral part of any product. In his opinion there is no reason why a safe automobile cannot be designed to be also an attractive, salable, and good-looking automobile.

Mr. President, in view of the widespread interest in and great importance of safety, I ask unanimous consent that the speech by Mr. Stevens, which is entitled "The Safety Car Need Not Be Ugly!" be printed in the RECORD.

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

THE SAFETY CAR NEED NOT BE UGLY!

(By Brooks Stevens, industrial designer)

In October, 1967, Mr. Ralph Evinrude, Chairman of the Board of Outboard Marine Corporation, and I, flew to Newton, Massachusetts to attend the auction of a private collection of Packard automobiles belonging to the estate of Mr. Roderick Blood. We were jointly in the pursuit of one specific Packard, a 1914 six-cylinder, seven-passenger touring car; the exact counterpart of Mr. Evinrude's father's first automobile. Mr. Evinrude's father, Ole Evinrude, was the inventor of the outboard motor in 1908. This particular car was of further interest because it was the car in which Mr. Ralph Evinrude learned to drive. While dining at the hotel, prior to the auction, with such prominent enthusiasts as Phil Hill, the racing driver and Bill Harrah, who owns the largest automobile collection in the world, we were naturally apprehensive about a successful bid on the car. I can announce that this jewel became the property of Mr. Ralph Evinrude and it has since been completely restored by Brooks Stevens Automotive Museum, Milwaukee, Wisconsin.

While at dinner, we indulged in a favorite discussion—automotive design. Mr. Evinrude, as an active Chairman of the Board of Outboard Marine Corporation, has, during my 35 years as consultant to his company, been most prominent in design concept, engineering and safety. We, Brooks Stevens Associates, were fortunate in being able to introduce styling to the outboard

motor, as such, in 1934. A discussion of automotive safety ensued and Mr. Evinrude projected on the proverbial tablecloth with pencil a basic theory which has its relationship to marine design and architecture. He drew for me in plain view the then current automotive styling trend toward extended fender caps, front and rear. In Detroit this had become an accepted styling cliche, in an effort to create a long silhouette in profile.

Mr. Evinrude then made a sketch showing two such vehicles on a collision course and then indicated that the design provoked the possibility of "locking horns" literally. The resultant accident might then result in tragedy and death for both parties. This strong point of design precludes any mention of the time of the accident, the condition of the drivers, or any of the other human reasons which can cause death on the highway. This was a purely mechanical reference to dangerous shapes.

He then proffered the suggestion of the "peaked" plan view, or what we will later refer to as "glance off sheet metal design," front, side and rear. At this point I agreed to explore this thought with him and to discuss it with Mr. Richard Teague, Vice President of Design of American Motors Corporation. The results of the study will be shown in the accompanying slides and we think the concept valid. It is, of course, recognized that an absolute regimented decree of sameness in exact frontal area design would be less identifying for a number of manufacturers. The theme, however, could vary so that the benefits were common.

In the past few years we have heard an increasing amount of controversy concerning safety in the automobile. We have heard much from politicians and self-appointed automobile safety "experts" decrying the lack of public responsibility displayed on the part of the automobile manufacturers. I think one aspect of this controversy bears consideration.

The automobile manufacturer is in business to make a salable, profitable product. In the process of doing this he must supply the consumer with what he demands. Safety has never been a very salable product, as several manufacturers have found. Even after taking this into consideration, I believe the manufacturers have managed somehow to come up with an amazingly efficient, reliable, and good-looking product for the amount of money paid. The amount of improvement in the automobile in the past 10 years is really quite impressive. The engineering departments of our automobile manufacturers are constantly concerned with *public safety*. The engineering study begins there. Items which contribute to the safety of an automobile, such as disc brakes, seat belts, shoulder harnesses, non-slip differentials, etc., etc., are all quite commonplace today. These are not items which the consumer has demanded for his safety, but seem to have become available almost in spite of the consumers demands. Many people, even when they have items like seat belts pushed on them, will not even bother to use them.

As the safety problem has come more and more to the fore, we see a few organizations outside of the automotive industry "design" what they feel to be the answer to the problem of safety and the automobile. These solutions, of course, ignore many problems associated with the manufacture and marketing of an automobile, such as feasibility, cost, serviceability, appearance, etc. How do we make the public, who has already displayed a certain amount of lethargy toward his own safety, pay more for it?

I believe one of the most important steps in this direction is to make his safety visually palatable. Styling, or design as we prefer to call it, has always had the responsibility of working with function. It is not a superfluous thing which is tacked onto a product just before it is given to the consumer. It is as much a part of the product as the materials, engineering and construction.

Our purpose in this exercise is to show how a vehicle concerned basically with safety limitations and qualities can actually use these limitations and qualities to make it an interesting and functional product as well as being pleasant to look at. Why can't a safe automobile be a good-looking automobile?

In discussing this exercise I think it wise to explain several of the basic philosophies used to guide the project.

First, this vehicle would be based on the incorporation of every safety device we know of today plus any that are being developed today or will be developed in the future. These devices would include things such as disc brakes to possibly using cells in the passenger compartment which would instantaneously inflate on impact. The vehicle would offer every opportunity for the driver to avoid accidents, i.e., brakes, good steering, good handling, adequate power, sensing device for tailgating, etc.

Second, we are concerned with minimizing all accidents which cannot be avoided. In accomplishing this we have attempted to make this shape as smooth and "slippery" as possible. This will allow the vehicle to glance off objects and objects to glance off it. In this way we will be able to avoid much of the impact experienced in many collisions. An illustration might best serve this point. This thinking is not only applied to the front and rear of the vehicle but in cross section, plan view, etc. This feature, of course, gives some additional benefits. Pedestrian's glance off is much more possible. Aerodynamics, and resultant fuel economy and performance should be improved and, of course, visually it is quite appealing.

Third, if the accident cannot be avoided and impact of some sort does occur, we must provide the passengers with protection. Our basic approach to this is to keep the passenger area as resistant as possible to displacement. Also, we want to absorb as much of the impact as possible in other areas of the vehicle before it reaches the passenger "shell." Some of the features of the shell itself reflect much which has been learned in stock car racing, which involves extremely high speeds (180 mph) and, of course, the resultant high impacts.

It will be noted that this design also features in its perimeter rub rail, or bumper frame, a reflective insert which runs entirely around the car in one tailored, horizontal line, offering no offense visually in the daytime and complete reflectability at night.

In addition 3M reflective materials are used in the sidewall of the tire design graphically and decoratively for maximum benefit. The advertising benefits to the tire maker are obvious. He will also be visible at night.

The rear deck of the Centurian sedan is treated with matte black reflective, in addition to its peaked plan view contour and rear end safety in the event of highway disablement. The peaked plan view here again would assist in glance off reactions for multiple freeway accidents.

In summary, it is hardly enough to crusade entirely for safety with the obvious humanitarian goal of saving lives at any cost. As an industrial design consultant to the automotive industry, I again respectfully ask the question, "Need the safety car be ugly?" An intelligent collaboration on the part of automotive design divisions and safety engineers can produce intelligently a handsome, palatable, safe vehicle for people. Thank you.

SAFETY CAR FEATURES

A. Basic

1. Safety devices in use today would be used when applicable.
   a. safety door locks and hinges.
   b. safety glass.
   c. seat belts and shoulder harnesses.
   d. head rests.
   e. impact absorbing non-reflective materials in interior.
2. Safety devices being tested today would be used if found to be beneficial and applicable.
   a. inflatable cells for passenger protection on impact.
   b. Controlled highway systems, etc.
3. Front engine, rear transmission, 4-wheel drive.
4. 4-wheel independent suspension with disc brakes.
5. Perimeter framework.
6. Glance-off sheet metal design—front, side, and rear.
7. Pop-out flush-mounted windows, no protuberances.
8. Reflective tire styling and marking.
9. Reflective license plates.
10. Instant fire foaming system.

B. Structural

1. Perimeter bumper frame, reflective tape insert.
2. "A" pillar roll bar structure.
3. "B" pillar roll bar structure.
4. "C" pillar roll bar structure.
5. Rear view mirror prism in spoiler section of "C" pillar roll bar and "B" pillar roll bar.
6. Door structure—each door consists of:
   a. basic framework—energy absorbing
   b. foam filled (energy absorbing) lower framework
   c. glued in "pop-out" glass
   d. safety locking pins which in conjunction with perimeter bumper frame completes perimeter protection
7. Foam filled structural beam in rocker panel area.
8. Perimeter framework (uniside) for door openings connecting three roll bar structures and forming door rail.

A REALISTIC EAST-WEST TRADE POLICY

Mr. DODD. Mr. President, the current issue of the Reader's Digest carries an article written by the distinguished minority leader (Mr. DIRKSEN), entitled "Needed: A Realistic East-West Trade Policy." I call this article to the attention of Senators because I consider it one of the best presentations on the subject.

Essentially, the Senator from Illinois argued that we ought to make trade policy an instrument of our foreign policy, just as the Russians do. He points out that—

> When Yugoslavia moved toward independence, the Soviets disregarded existing agreements and slapped a total embargo on all Russian-Yugoslav commerce. In 1958, the Russians shut off crude-oil deliveries to Finland, canceled orders and delayed trade negotiations there until certain conservative members of Finland's cabinet resigned. Such communist economic welfare is global. Prices are rigged, goods are dumped—all as part of the strategy to disrupt Western economies, to ensnare emerging nations and promote friction within the non-communist world.

I am pleased that this article has been printed in the Reader's Digest and ask unanimous consent that it be printed in the RECORD in the hope that all Senators will read it and give it the attention that it deserves.

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

NEEDED: A REALISTIC EAST-WEST TRADE POLICY

(By Senator EVERETT M. DIRKSEN, Republican, of Illinois)

Seven years ago, a Senate subcommittee on which I served conducted an exhaustive probe of East-West trade and found that the United States and its allies were making a direct contribution to communist military and industrial strength.

What was then a serious situation has now degenerated into a critical one. Since 1962, American exports to the Soviet bloc has increased 56 percent, and those of U.S. allies 68 percent—to a total of $3.9 billion a year. Even more ominously, these shipments include material of undeniable military significance.

At a time when the Soviet Union and its satellites were keeping the Vietnam war going, the Johnson Administration unilaterally removed from the Commodity Control List more than 500 items previously barred for sale to the Soviet bloc without a special license. All were said to be "non-strategic"—"peaceful goods which may be freely exported without any risks to the United States' national interests." But a reading of the fine print turns up the following: rifle-cleaning compounds, propellers, industrial chemicals, crude rubber, aluminum and magnesium scrap.

Top Washington officials defended their decision to export $35 million worth of machine tools for a Soviet auto plant, on the ground that it will make the Kremlin more "consumer-goods minded." Senators protested in vain that there is nothing to stop the Russians from using these tools for making armored trucks and vehicles.

"As far as computers are concerned," a communist journal admits, "we are still living in primeval times. We are 50 times worse off than the United States, 15 times worse off than West Germany and Scandinavia." Yet, encouraged by Washington, top U.S. firms, including IBM and Sperry Rand, peddle their sophisticated electronic wares throughout the Soviet bloc.

Concern over such developments runs deep. "American policy on East-West trade is contradictory and self-defeating," reports Dr. Robert Strausz-Hupé, director of the University of Pennsylvania's Foreign Policy Research Institute.

"A complete policy revision is necessary to curb the enemy's military-industrial build-up," says Rep. Glenard P. Lipscomb (R., Calif.), one of Congress' top experts in the field.

"The United States must recognize the value of trade as a major cold-war weapon," says Samuel F. Clabaugh, research associate of Georgetown University's Center for Strategic and International Studies.

When the U.S.S.R. and its Warsaw Pact allies invaded Czechoslovakia last year, I called upon our government to institute an economic embargo of the Soviet Union. "It's the only weapon we have," I said. And I remain convinced that the Soviets have real reason to fear it.

East Depends on West. Actually, the communists are in desperate need of Western technological assistance. Spectacular Soviet achievements in rocketry and space exploration have districted many from the fact that the Soviet economy is in dire straits. "We have the worst and most backward productive structure among the industrially developed countries," says Russian economist Abel G. Aganbegian. Industrial output per worker is one fourth that in the United States (agricultural output per worker, one twelfth), and the crisis is worsening.

The solution to the crisis lies with the West. The Soviet textile industry, for instance, is a severe drain on the economy, with its obsolete equipment and fantastic waste of manpower. Not surprisingly, Soviet agents have fanned out across the free world to purchase what they term "turnkey" factories.[1]

The Russians could, of course, build the factories themselves. But, as experts at the Foreign Policy Research Institute spell it out, "If they can procure the model from the West, mediocre technicians can copy it. Meanwhile, their best engineers need not be diverted from more important work."

As the State Department has concluded, "it is only with the infusion of Western technology, capital equipment and managerial and marketing support" that the communists can raise their productivity. Clearly, this dependence on Western technology represents a vulnerability that should be capitalized upon.

Bridge-Building? In recent years, President Johnson sought repeatedly to woo the communist bloc with promises of economic assistance. Trade delegations were dispatched to the U.S.S.R., Poland, Romania and Bulgaria. Lists of embargoed goods were slashed, and communist credit was guaranteed. American firms were encouraged to trade with bloc countries as a patriotic gesture that could lessen international tensions. Meanwhile, provisions of the Mutual Defense Assistance Control Act—designed to bar U.S. aid to nations supplying the communists with strategic goods—were simply not enforced. By word and deed, Washington demonstrated its faith in "bridges of friendship" to the East.

Not surprisingly, Soviet bloc trade with Western Europe bloomed. An Italian firm has contracted to supply the communists with $90 million worth of computers and calculators. Dangling credits before the East Germans, Bonn hopes to increase its trade there 150 percent by 1975.

But Washington has been unalarmed. Indeed, the director of the State Department's Office of East-West Trade, Robert B. Wright, suggested in a remarkable speech last year that the government felt that increased trade could end the cold war, that "we have nothing to fear, nothing to lose." But Wright and other advocates of expanded East-West trade are laboring under two delusions:

1. *That trade, by definition, promotes friendly relations.* History tells us otherwise. Germany and Russia were trading up to the very day that Nazi panzer columns rumbled across the Soviet borders in 1941. Scrap iron sold to the Japanese by business-as-usual Americans was fashioned into the bombs dropped on Pearl Harbor.

The argument is made that "winds of change" are blowing across the communist empire, and that American assistance can encourage liberalization. But does it?

Consider Poland, the recipient of more than $550 million in U.S. aid and the only member of the communist block awarded our "most favored nation" tariff status. American assistance was supposed to mean a better life for the Polish people and to help Poland win independence from Moscow. Instead, the Polish hard-liners in control beefed up their 250,000-man army, tripled their rocket forces and quintupled their armored divisions. Exports to North Vietnam have been stepped up sharply; the regime's second-ranking official visited Hanoi to brag that Polish anti-aircraft batteries have shot down or damaged 40 U.S. planes. Not only did Polish troops march with the Red Army into Czechoslovakia, but Warsaw has promised volunteers to Ho Chi Minh if needed in the "struggle against the imperialist aggressor."

2. *That "non-strategic" trade constitutes no danger to the United States.* The distinction between strategic and non-strategic trade is largely imaginary. Western goods of any kind relieve production bottlenecks and enable Soviet planners to shift from domestic to military production patterns.

At the same time, many "peaceful" items sold to the communists have clear military application. Consider the technical data supplied the Soviets for the production of polystyrene—a chemical used in air conditioners and other "non-strategic" items according to the Commerce Department. Polystyrene has other uses: as a binder for explosives, as a rocket igniter, as a component for intercontinental ballistic missiles.

Oil War. Merely cutting off the exports of strategic goods is not enough. The United States must begin fighting the cold war with the same weapons as its adversaries, recognizing that trade can be a powerful, perhaps crucial, weapon.

The Soviets themselves make no bones about it. "Trade policy is an integral part of our foreign policy," says top Soviet economist P. A. Chervyakov, and the record bears him out. In 1932, Stalin drastically cut purchases from the West—at great cost to Soviet economic development—in an attempt to intensify the free world's Great Depression. And a critical need for Western goods immediately after World War II did not deter the Soviets from holding such purchases to a minimum, in the belief that this would hamper Allied conversion to a peacetime economy.

Economic blackmail and political retaliation are practiced shamelessly. In 1949 when the Australians broke up a Soviet spy ring, Soviet purchases of badly needed Australian wool were immediately cut off. When Yugoslavia moved toward independence, the Soviets disregarded existing agreements and slapped a total embargo on all Russian-Yugoslav commerce. In 1958, the Russians shut off crude-oil deliveries to Finland, canceled orders and delayed trade negotiations there until certain conservative members of Finland's cabinet resigned. Such communist economic warfare is global. Prices are rigged, goods are dumped—all as part of the strategy to disrupt Western economies, to ensnare emerging nations and promote friction within the non-communist world.

Nothing demonstrates this quite so effectively as the "oil offensive" that the U.S.S.R. has waged for more than a decade. Kremlin strategists believe that the American oil industry is the "foundation of Western political influence" throughout the underdeveloped world. "If this foundation cracks," a Soviet theoretician has written, "the entire edifice may come tumbling down."

To this end, Soviet oil is dumped in Western markets at ridiculously low prices. While Czechoslovakia is forced to pay 18 rubles per ton, for instance, Italy pays less than eight rubles. Result: the Russians acquire badly needed Western currency, and the economies of the United States and its oil-producing allies are threatened.

Despite this, Washington has on numerous occasions approved the export of petroleum drilling equipment, even of an entire oil refinery, to the Soviet bloc.

Best Weapon. It is time for the United States to tie *its* trade to global politics, to insist on getting from the communists something in return—a *quid pro quo*—for the scientific and technological genius they need so desperately from us. By demanding political concessions for economic favors, as Georgetown Prof. Lev E. Dobriansky suggests, the United States will be following a practical alternative to complete embargo or haphazard liberalization.

Such a policy would allow for credits and cash payments, consumer goods and producer goods. Adaptable to changing conditions, it would infuse a consistency and a rationality into our trade relations with the entire

[1] Such factories are designed, built and installed by Westerners, who also train local people to run them, and thus turn over to Soviet managers the key to a complete, functioning plant.

communist bloc. The list of concessions would be graded. It could include the payment of long-standing Lend-Lease debts, guaranteed access to Berlin, a hands-off attitude by the Soviets toward Latin America and the Middle East.

Such a policy, to be effective, requires what is now tragically lacking—a sense of unity among the Western industrial powers. There must be established a free-world trade organization that would supervise all exchanges with the Soviet bloc, protect free countries against the disruptive tactics of communist economic strategists, and outline effective countermeasures.

The need for a bold new policy on East-West trade is clear, as President Richard Nixon is well aware. As long ago as 1962, he demanded that the Western powers adopt a solid trade front in the struggle against communism. "Trade and economic sanctions must be wielded as a lever at the bargaining table to move the Russians from their intransigent positions," [he said]. "The Berlin Wall might have crumbled in a week if we had threatened a complete economic embargo on East Germany. The Soviet Union's support of guerrillas in south Vietnam might well have been traded for the right to buy Western goods. Western productivity, technical know-how and trade add up to one of our best weapons. We must use it in the cold war."

That was true then. It is even truer today.

SENATOR HARRIS SPEAKS ON CAMPUS VIOLENCE

Mr. BAYH. Mr. President, during the last few weeks at college commencements throughout the country many words have been spoken and ideas advanced about the student turmoil and classroom disruptions experienced on numerous campuses in recent months. According to press reports no single topic seems to have received more attention from the hundreds of speakers who addressed graduating classes than the confrontations which have taken place between college and university administrators, faculty, and students over a wide range of issues.

One of the most sensible and realistic approaches to this problem which has come to my attention was set forth by the senior Senator from Oklahoma (Mr. HARRIS) in the speech he delivered at the commencement exercises of his alma mater, the University of Oklahoma Law School, on June 1. In his characteristic forthright and incisive manner, Senator HARRIS made it clear that, despite the need for institutions to change, neither violence nor unlawful intimidation are proper means to achieve legitimate goals. To the contrary, such activities he emphasized would "undermine the very institutions of free speech, of assembly, of the right to petition our government peaceably, which are the means by which grievances are answered and relieved."

While not condoning violence, Senator HARRIS at the same time stressed the dedication of current college students to worthy causes and their insistence on answers to questions which continue to plague our society. Older generations must assume much of the blame for present difficulties and should not hastily condemn young people for their impatience with delay and lack of progress. Senator HARRIS believes that the energies, talents and idealism of youth should be brought to bear not only in improving institutions of higher education, but also of society as a whole.

Mr. President, it seems to me that this very worthy address by Senator HARRIS should be made available to other Senators and to the general public as well. Therefore, I ask unanimous consent that the full text be printed in the RECORD.

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

ADDRESS OF SENATOR FRED R. HARRIS, OKLAHOMA UNIVERSITY LAW SCHOOL, JUNE 1, 1969

It is an honor and a pleasure to return on this occasion to the campus of my alma mater—I think! Actually, as anyone who travels or reads knows, it is a rather chancy thing for a person of my age to be found on a college campus today. However, if circumstances require you to be there, I can think of no better camouflage in which to call less attention to oneself than to be busy making a commencement speech! I wouldn't be so pleased to have this opportunity if it weren't for a personal conviction about the magnitude of the opportunity you face upon entering the legal profession today.

I suppose that men in all professions believe that the development of their own craft is indicative of the development of their times and culture. But, even discounting my personal bias as a lawyer, I believe that no component of a society better indicates the general health and development of that society than its system of administering justice.

The society of Nazi Germany was strong militarily and even economically. It was characterized by systematic punishment of anti-social behavior and high conformity to national goals. No fair man, however, would call it a good society because it totally lacked a system of justice capable of protecting the life of the people as a nation without sacrificing individual rights. By the same token, England, flowering during and after the Renaissance, was commonly acknowledged as a truly *advanced* society despite an enormous array of difficulties and handicaps. England maintained, and to a large extent developed, a complicated system of equality in law which you have learned as students.

More distant examples in time may even be easier to see. Sparta was the strongest among the Greek city-states. Its people were loyal, valiant, and austere in their ability to sacrifice for what they perceived to be the common good. Athens, however, was the Greek city remembered by the world for its excellence as a society.

In one of his plays, the ancient Greek playwright, Aristophanes, caused a character to identify Athens from the air by the large number of juries in session. The fact that ancient Athenians were a highly litigious people is cited by nearly all historians as strong evidence of the high development of their civilization. This, in fact, characterizes *all* highly developed cultures. They have defined a system of justice that serves the related but not identical ends of protecting the individual as well as the orderly state of society.

The principle has never been more urgently needed or less obvious than it is in the world which you new lawyers now enter. One could characterize the sometimes violent struggle between the so-called radical and the so-called establishment as a debate about the rights of individuals and the rights of society conducted in extra-legal and sometimes illegal ways. When the breakdown between society and the individual takes place to the extent that it cannot be adjudicated in the courts of law, then, through the eyes of history, we cannot claim a sophisticated civilization or an advanced political system.

We must formulate again for our generation and our nation the way in which we shall balance the demand for orderly processes with the right, even duty, of each individual to press for action based on idealism and morality.

I am not here today to tell you how to balance the scale in each specific case between the individual seeking freedom and the society which lives by consensus. But can we agree on this: any technique of social change which destroys the aspects of society which allowed it to flourish is self defeating.

Violence and unlawful intimidation are unacceptable, first of all, because they are inhumane and often hurt people. No ends are so noble as not to be sullied by ignoble means.

Violence and unlawful intimidation are not acceptable in our society because they undermine the very institutions of free speech, of assembly, of the right to petition our government peaceably, which are the means by which grievances are answered and relieved.

Violence and unlawful intimidation are unacceptable because, in a very practical sense, they often lead to active repression, not just of unlawful violence, but of lawful dissent as well.

Thus, on our college campuses, as elsewhere, violence must be treated as violence and nonsense as nonsense. Not by national panic nor by federal police, but best by the institution itself—expelling from the community those who would destroy the human trust which is the essence of community—or by combatting lawlessness by turning to the majesty of the law, so that, if the police finally must be called, it is a court and not the university which calls them.

But you may say, "It is not those trained in the law and its philosophy who are at the root of our problem." I do not altogether agree. True, most of the violent disturbances in our nation have not involved the participation of members of our profession.

But, in a larger sense, we must share a measure of blame. Have we, who have been schooled in the counter claims about which I have talked really shared with society or our associates our understanding of the fundamental nature of our problems? Have we not, rather, been willing to concern ourselves with our personal well-being and the immediate, short run interests of our clients? Should we have given more time to education of the young, so many of whom now misunderstand the bases of our culture so tragically? Should my generation of lawyers have initiated legal service for the poor on a really responsive scale, rather than wait until social injustice is so obvious that your generation cannot escape the responsibility?

Is there yet time for a change in the unhappy trend of alienation of the young? Is there still an opportunity to negotiate between those who say, "my personal rights alone matter," and those who say, "law and order"? I am certain that with the social conscience of your generation, which is even more important than your excellent legal training, there is. If I did not think so, I would not be here.

The world was changing in the 19th century when Matthew Arnold wrote that he was—

"Wandering between two worlds,
One dead,
The other powerless to be born."

Young people today feel no special nostalgia for the way things were, but they share his conviction that we are in the cortex of a changing world.

Happily, they do not accept Arnold's sense of helplessness, but, rather, have adopted the spirit of another eminent Victorian, Alfred Lord Tennyson, expressed in a line which the late Robert F. Kennedy claimed in part for the title of his last book: "Come my friend, 'tis not too late to seek a newer world."

There are some who think that modern student protests are just today's equivalent of the panty raid, and others feel that the unrest and dissatisfaction can be settled solely by university reforms.

Young people today, while viewing the university as a prime place to begin wider changes, see more clearly than any previous generation the grievances which have for centuries burdened us and our country.

They are questioning a society which has always kept black Americans subordinate to other Americans.

They are questioning the priorities of a nation which spends $76 billion for defense and only $4 billion for education.

They are puzzled by the paradox of a country which can spend $2.5 billion a month in Vietnam but not that amount in a whole year to banish hunger altogether from our national life.

They worry about a society in which most parents can give their children television sets, cars, and trips around the world, but no parent can guarantee his child will breathe clean air or drink pure water or walk safe streets.

These questions must be met. As we rightly grow more firm and sophisticated in our ability to prevent and put down violence, we must also grow more determined that ours will be a truly just society.

Universities must change, but society must change as well. And, in this process we must involve the energy, the talent, the idealism of youth. We need them, and they must be allowed—encouraged—to serve and to participate in shaping the policies and institutions which direct our society and control its quality.

In *Candide*, Voltaire attacked the philosophy that "All is for the best in the best of possible worlds." He saw that philosophy as an excuse for resignation and passivity in the face of human suffering.

America is the best of all past worlds, the best of present worlds, but not the best of *possible* worlds. Young people have glimpsed the possibilities of a better world, a newer world.

With your education, your special training in the law, you are uniquely qualified to help guide us toward this newer world. With your continued awareness and concern, that newer world will not be powerless to be born.

DANISH-AMERICAN TRADITIONS AND TRADE

Mr. GOODELL. Mr. President, a special bond of friendship between two nations, Denmark and the United States, has enriched the lives of citizens in each. An unbroken history of fair and friendly trade between the peoples of these nations is based upon deeply held ideals and aspirations common to both. Our own ideals of human justice and freedom are celebrated by Danes as their own. Denmark, for over half a century, has marked our Fourth of July as a Danish holiday. Danes are proud of their cousins who have adopted America as their homeland and we are equally proud of our citizens whose ancestors came from Denmark. Just as the United States pioneered a new form of government on this continent, Denmark was the first European nation to adopt a modern constitutional form of government.

It is fitting that we, in this Nation, take note of the celebrations by Denmark of our holidays. The Fourth of July festival at the town of Rebild has particular bearing upon Danish-American friendship. I wish also to salute two forthcoming Danish freedom holidays, Constitution Day, June 5, and Flag Day, June 15. Many Danes and Americans will celebrate these historic days on this side of the Atlantic.

Mr. President, I ask unanimous consent that an account of the famous festival at Rebild, together with an account of Danish Constitution Day and Danish Flag Day, be printed in the RECORD.

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

THE FESTIVAL AT REBILD (REBILDFESTEN) IN CELEBRATION OF AMERICA'S INDEPENDENCE DAY

Since 1912, the Danish town of Rebild has held an annual festival at the national park there in commemoration of a day which Americans hold dear to their love of liberty the Fourth of July. The annual Independence Day celebration attracts tens of thousands of Danes and is a center of sports and cultural activity. Denmark has traditionally observed our Independence Day almost as a national holiday of their own.

A little more than one hundred years ago, the first organized groups of Danish immigrants crossed the Atlantic to America. They prospered, and many Danish names enrich the life of our own country. In 1905, a society was founded to link Americans of Danish descent. In 1909, the Danish city of Aarhus sponsored an exposition and here American Independence Day was celebrated for the first time in Denmark.

A Dane who had emigrated to America in 1881, Dr. Max Henius, was present and he conceived the idea of securing a tract of land in Jutland which "should remain forever in its natural state." There, near Rebild, King Christian X spoke to the first Festival audience of more than 10,000 Danes and Americans of Danish descent in 1912.

Since that time, the King of Denmark, the ambassador of the United States, poets, authors, men of science and politicians have spoken from the Festival platform. The Festival's broadcast is heard throughout Denmark and in this country. The Festival is a pageant of both the popular and serious cultures of the two countries.

In the Rebild Park, there is a log cabin built with timbers from each of the United States in which Americans of Danish descent live and work. In this "Lincoln Museum" are housed relices of Danish and American history.

The Festival has drawn ever increasing numbers of visitors and has been interrupted only twice—when two tragic World Wars threatened the existence of freedom everywhere.

The celebration of the Fourth of July is widespread throughout Denmark, but the Rebild Festival has a special significance for it particularly exemplifies the bond between our two nations.

CONSTITUTION DAY AND FLAG DAY

Two great Danish holidays commemorating the universal ideals of freedom and independence are soon to be celebrated, Constitution Day and Flag Day (or Dannebrog), June 5th and 15th respectively.

When the Danish Constitution was passed into law on June 5, 1849, following the great surge for freedom which swept the European continent in 1848, it was the most liberal European constitutional document of its time.

Dannebrog is in honor of a battle in 1397, when as legend has it, the Danish flag fell from the sky to rally the spirits of Danish warriors in a fight against their oppressors. It is the oldest flag in the world.

It is only fitting, therefore, that Americans reciprocate with observances built around these holidays sacred to Danish freedom. I should like to point out that Gold Seal Vineyards in my former congressional district as well as Tuborg Breweries, Ltd., are among those companies interested in Danish and American trade which have planned observances of these two Danish holidays this year.

TRIBUTE TO DR. PETER ZENKL

Mr. HATFIELD. Mr. President, at critical times in history, some dedicated, courageous leaders strongly affirm the value of freedom to mankind. One of these men is Dr. Peter Zenkl—the Czechoslovakian patriot who celebrated his 85th birthday last Friday. For years, as mayor of Prague, a member of the Ministry of Social Welfare, and as the last Vice-Prime Minister of free Czechoslovakia, he courageously resisted Communist and Nazi attempts to suppress basic human freedoms in Czechoslovakia. For this reason he spent 6 years in a Nazi concentration camp and was eventually forced to flee his homeland after the Communist takeover.

Dr. Zenkl's lifelong struggle for the liberties of his fellow Czechoslovakians has won him their deepest respect. He now resides as an exile in Washington, D.C. where he writes, speaks, and organizes to maintain his nation's faith in a free future. I believe he deserves our praise today for his gallant efforts on behalf of his countrymen and freedom-loving people everywhere.

REPORT OF PRESIDENT NIXON'S TASK FORCE ON PRODUCTIVITY AND COMPETITION

Mr. TALMADGE. Mr. President, I believe every Member of Congress would stand with me to endorse the proposition that business under our free enterprise system deserves great acclaim for its role in promoting economic growth unprecedented in the history of this country. Despite inflationary pressures, high interest rates, overseas investment restrictions, and increasingly complex technology, it has met the challenge and provided our people with a remarkably high standard of living.

A thriving, advancing free enterprise system is dependent upon sound governmental policies developed clearly and with logic and reason. Of late, however, I have begun to question the development of policy in the antitrust field, a matter of great concern to all American business. And certainly the leaders of U.S. industry must be equally baffled and confused by the array of conflicting statements and reports emanating from Washington recently.

The profusion of statements by administration officials and reports by various study groups are enough to make any businessman question the logic of our current antitrust policy.

This problem was brought to mind by the publication of the report of the Nixon Task Force on Productivity and Competition in the Bureau of National Affairs Report to Executives on Monday, June 9. The report, prepared by a distinguished group of educators and businessmen at the request of President Nixon, was designed to give the new administration some realistic guidelines for establishing antitrust policy.

One of its recommendations called for the Justice Department to be certain that every antitrust suit "make good economic sense" and suggested calling semi-public conferences to help draw up and reevaluate enforcement guidelines. It further cautioned Justice against taking antitrust action against large companies on the basis of "nebulous fears about size and economic power" and stated without reservation that "vigorous action on the basis of our present knowledge is not defensible."

The recommendations of the Stigler Report appear to be reasonable and well founded. They merely say that the full facts should be determined before precipitous action is taken in the antitrust field. I am sure my colleagues in Congress, who follow this same process in legislating, would agree. In fact, one committee of the House has already called for hearings on mergers and several Agencies of Government are now undertaking studies to determine the facts about mergers and its effect upon the economic and social structure of the country.

In contrast to the approach, however, I was dismayed to read the statements of Attorney General John Mitchell given recently before the Georgia Bar Association. In that speech, he fashioned new antitrust policy that will affect all of the leading corporations in America. He made clear that, without the benefit of the facts considered important by the Stigler Report, the Justice Department intends to oppose any merger among the top 200 manufacturing firms. Furthermore, he declared his intention to fight mergers between one of the top 200 and any leading producer in any concentrated industry. This approach certainly seems to lack the prerequisite of economic sense which the Stigler group determined was important.

Furthermore, the Attorney General has come dangerously close to espousing the philosophy that bigness per se is bad. Despite denials by Mr. Mitchell and Mr. McLaren, his antitrust chief, that they subscribe to such a philosophy, this announced attack on the 200 largest firms amounts to exactly that.

It also is interesting to note a recently released report made by a blue ribbon panel appointed by President Johnson to examine antitrust policy. While this study—the Neal Report—differed in many respects from the Stigler Report, it, too, warned that antimerger attacks on large companies using the Clayton Act would have to be through a contrived interpretation. Section 7 of the Clayton Act is exactly the vehicle Mr. Mitchell intends to use to implement his newly announced policy.

I am not advocating a policy of unrestricted mergers. I, like many other Members of Congress, believe that the merger trend should be closely examined. When sufficient facts are available, it is the duty of Congress to heed them and take appropriate action if necessary. I do not believe the Attorney General has the right to extend the law as he seems to be doing.

A portion of this report was placed in the RECORD last week by the Senator from Wisconsin, although his entry did not encompass the full report and other relevant matter. I believe the full report by President Nixon's factfinding group, along with Attorney General Mitchell's address in Savannah, Ga., and a newspaper article on his address, bear careful consideration. I ask unanimous consent that they be printed in the RECORD.

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

SUMMARY OF RECOMMENDATIONS OF THE TASK FORCE ON PRODUCTIVITY AND COMPETITION

We present here a summary of the recommendations of the Task Force on Productivity and Competition. These recommendations are elaborated and defended in the accompanying Report.

1. We recommend that the President issue a general policy statement (a) establishing the Antitrust Division as the effective agent of the Administration in behalf of a policy of competition within the councils of the Administration and before the independent regulatory commissions; (b) urging those commissions to enlarge the role of competition in their industries; (c) marshaling public support for the policy of competition.

2. We urge the commissions to permit free entry in the industries under regulation and to abandon minimum rate controls, whenever these steps are possible—and we think they usually are; and we urge the President, when occasion permits, to appoint at least one economist to membership in each of the major commissions, and institute effective procedures for the review of the performance of the commissions.

3. To enhance the effectiveness of the Antitrust Division, we urge the Attorney General and the Assistant Attorney General in Charge of Antitrust to insist that every antitrust suit make good economic sense, and to institute semi-public conferences to assist in the formulation and frequent reevaluation of enforcement guidelines.

4. We recommend that the Department of Justice establish close liaison with the Federal Trade Commission at the highest levels, with a view toward fostering a harmonious policy of business regulation.

5. We recommend that the Department bring a series of strategic cases against regional price-fixing conspiracies, which we believe to be numerous and economically important.

6. We cannot endorse, on the basis of present knowledge of the effects of oligopoly on competition, proposals whether by new legislation or new interpretations of existing law to deconcentrate highly concentrated industries by dissolving their leading firms. But we urge the Department to maintain unremitting scrutiny of highly oligopolistic industries and to proceed under section 1 of the Sherman Act—which in our judgment reaches all important forms of collusion—in instances where pricing is found after careful investigation to be substantially noncompetitive.

7. The Department of Justice Merger Guidelines are extraordinarily stringent, and in some respects indefensible. We suggest a number of revisions in the accompanying Report.

8. We strongly recommend that the Department decline to undertake a program of action against conglomerate mergers and conglomerate enterprises, pending a conference to gather information and opinion on the economic effects of the conglomerate phenomenon. More broadly, we urge the Department to resist the natural temptation to utilize the antitrust laws to combat social problems not related to the competitive functioning of markets.

9. We recommend new legislation to increase the monetary penalties, at present largely nominal, for price fixing.

10. We urge a new policy for antitrust decrees. The Department should not seek the entry of regulatory decrees: decrees that envisage a continuing relationship with the defendant. Save in exceptional circumstances, all decrees should contain a near termination date, ordinarily no more than 10 years from the date of entry. And the Department should undertake a review of existing decrees to determine which should be vacated as obsolete or inappropriate.

11. The Expediting and Webb-Pomerene Acts should be repealed, and the Robinson-Patman Act substantially revised.

12. Mr. Alexander L. Stott dissents from certain parts of the Report and from certain of the above recommendations. Mr. Raymon H. Mulford dissents from two recommendations.

REPORT OF THE TASK FORCE ON PRODUCTIVITY AND COMPETITION

The Task Force on Productivity and Competition submits its report on the problems which will be confronted by the new administration in this area, and the steps which we recommend to be taken. The report is presented under three general headings:

I. The Administration's Policy of Competition and the Role of the Antitrust Division and the Regulatory Commissions in This Policy.

II. Organization and Procedure in the Antitrust Division.

III. Recommendations for Change in Antitrust Policy.

Individual task force members would often change the emphasis of the Report, and larger differences are presented as dissents.

I. GENERAL POLICY

A. Antitrust policy

The American Way, as we are constantly told, is to rely upon competitive private enterprise to do most of the work of allocating resources to industries and firms, organizing production, and providing economic progress. We are constantly travelling a shorter distance down this Way, however: for good reasons and for bad we have almost continuously expanded the governmental controls over economic life, and in recent years important restrictions have been placed upon private enterprise to protect the balance of payments. Some of the vast arsenal of public controls are unnecessary, and a large proportion of the necessary controls are excessively restrictive of competition. As one example, the safety of financial institutions is of course a major public concern, but this safety can often be achieved by insurance or similar devices, and hardly ever requires that competition be suppressed to the extent that the most incompetently managed institution will be prosperous, and hence safe.

The traditional American policy of seeking to minimize regulation of economic life is a profoundly wise policy, and deserves to be reasserted and implemented. Both logic and political expediency—not always close allies—dictate that economic freedom be subjected to the discipline of competitive markets. We believe, therefore, that the President should issue a general policy statement on competition and public regulation, to achieve at least three important purposes:

1. To establish the Antitrust Division as the effective agent of the Administration in behalf of a policy of competition, in intragovernmental groups, and before independent regulatory bodies.

2. To encourage and urge the regulatory bodies—which cannot ignore the clear policy positions of the President even when his appointive power is dormant—to enlarge the role of competition in their respective industries.

3. To revive and strengthen public support

for the policy of competition, and to establish the bona fides of the Administration as the protector of *both* consumer and businessman.

An executive order or a major presidential address would be an appropriate vehicle for this declaration. Whether or not a formal statement commends itself, we believe that the correct policy is one of persistent and resourceful exploitation of competition wherever possible.

B. The policy of competition in the regulated industries

Our mandate to examine productivity and competition in the American economy compels us to brief examination of the work of the regulatory commissions themselves. The regulated industries comprise one-eigth or more of the economy in terms of income, and are too important to be omitted from our Report.

The tasks assigned to the regulatory agencies are various: to prevent monopoly pricing (as with telephone and pipelines); to prevent congestion (as with radio and television frequencies); to provide safety to savers (as with financial institutions); and so on. It is not possible for us here to examine these purposes critically, although it is notorious that in certain industries (such as motor trucking) there is no respectable case for economic regulation. There is widespread disenchantment with regulatory purposes as well as regulatory processes, and a general belief that excessive rigidity, expensive review of economically trivial details and frequent failure to achieve any important results have characterized our regulatory efforts.

In two directions, we are convinced, there should be a major reorientation of the regulatory policy:

1. Entry of new firms should be encouraged wherever an absolute contradiction with regulatory goals is not involved. At present the practice is universally the opposite: to prohibit or ration with utmost severity the entrance of new firms.

2. Allow much freedom in price competition. The regulatory bodies should abandon *minimum* rate regulation whenever possible (and it is usually possible), and rely chiefly on maximum rate regulation.

Where rates are regulated, it is essential to make *both* changes: there is little merit in allowing additional firms to enter if they are not held to the test of unfettered competition with the existing firms.

We urge the Administration to pursue three complementary paths of reform in the regulated industries:

First, the commissions should have the merits of competition pressed upon them. Competition is not a matter of all or none, and the fact of regulation should not exclude competition as a force at each of a hundred points where it is relevant and feasible. If there must be only one railroad there can still be several truckers, several freight forwarders, and the possibility of inter-modal competition.

Second, the primary method of giving a larger role to competition is by appointing commissioners who understand and believe in a policy of competition. *We believe that every regulatory body should have at least one economist as a commissioner.* Quite aside from the implementation of the desire for more competition, this proposal has a decisive defense: economic regulation poses more economic than legal problems, and an economist knows more about economics than a non-economist. The economic triviality and irrelevance of much activity of the regulatory commissions is patent and inexcusable.

Third, the regulatory commissions are largely out of public control. Once in a decade or two, at most, a commission will be investigated by Congress. The Administration should explore methods of getting more meaningful and effective reviews than we now get. We do not know whether the best method is an enlarged Bureau of the Budget section, a national commission, the creation of academic review committees, or a special adviser to the President. The best method, however, is surely not infrequent, partisan Congressional review. The present rule of the regulatory bodies is undirected, unmeasured, and unevaluated.

II. ORGANIZATION AND PROCEDURE IN THE ANTITRUST DIVISION

A. The utilization of economic knowledge

We anticipate little opposition to the proposition that the Antitrust Division make full and effective use of economists and their special skills. These skills are often necessary to understand the effects of economic practices (an example is market-sharing in fixed proportions), to assess the economic importance of individual cases, and to assist in devising remedies that will not shatter on economic realities. We endorse the policy of having a highly professional economist serving as adviser to the head of the Division, and a strong permanent staff of economists.

The problem is not the goal of an economically sophisticated antitrust policy, but its implementation. A division charged with the enforcement of a statute must of course be directed and largely staffed by lawyers. Unless there are substantial incentives to the staff to utilize economics—whether by central direction, or vastly more powerfully, by demonstrated assistance in winning cases—the nonlawyer will often be viewed by the lawyers as a mysteriously necessary obstacle to smooth operations. The Assistant Attorney General will have succeeded in making a truly major contribution to antitrust policy if he establishes the relevance of economic knowledge.

B. The development of criteria for classes of cases (guidelines)

When the Antitrust Division is confronted by a large number of similar cases—and it must now be scanning many hundreds of mergers each year—it will inevitably have rules to guide the numerous men who pass on individual cases. The question is not whether to have criteria or guidelines, but how to arrive at them.

We believe, for reasons we discuss below, that the present merger guidelines are questionable in important respects. Here we consider the procedures for formulating guidelines.

A set of rules for a class of cases will be desirable only if two conditions are fulfilled:

1. There are a large number of uncontroversial, easily identified cases. If there are not, the rules give little help to either business or the Division.

2. Controversial or objectionable cases cannot be repackaged to avoid scrutiny.

The way to determine whether mergers, for example, meet these conditions is to examine a large number of them in the light of legal and economic knowledge. The Antitrust Division will perform this task vastly better if it uses the large amount of professional expertise available outside the Division. We therefore recommend that the Division have semi-public conferences to explore difficult areas of policy, inviting legal and economic experts to propose or discuss guidelines. Some members of the task force would prefer to have formal notice and public hearings in establishing rules. If rules are adopted, a periodic review of them by the same procedure will be a useful method of conferring flexibility upon them. A specific application of this method is proposed below for mergers.

C. The role of the Federal Trade Commission

No review of antitrust policy would be complete that ignored the Federal Trade Commission, which is charged with enforcement of, among other statutes, the Clayton Act, of which Section 2, the Robinson-Patman Amendment, and Section 7, prohibiting mergers and acquisitions that may substantially lessen competition, are particularly important; and the Federal Trade Commission Act, whose operative provision, Section 5, forbids "unfair or deceptive acts or practices," a term that has been interpreted to embrace even more than the vast area of anticompetitive behavior proscribed by the Sherman and Clayton Acts, as well as consumer fraud and some "immoral" sales methods such as lotteries. As is evident, the Commission's jurisdiction largely overlaps that of the Antitrust Division.

In its antitrust work, the FTC has concentrated on price discrimination, on practices believed to oppress or coerce small dealers, and on mergers, especially vertical and conglomerate, and ususally in industries such as food products, groceries, and cement—industries which by long-established understanding with the Antitrust Division have been assigned as the Commission's sphere of primary competence.

Unhappily, little that the Commission undertakes in the antitrust area can be defended in terms of the objective of maintaining and strengthening a competitive economy. Consider price discrimination. There is now an impressive body of literature arguing the improbability that a profit-maximizing seller, even one with monopoly power, would or could use below-cost selling to monopolize additional markets. Yet, not only has the Commission continued to bring predatory price discrimination cases, but the alleged danger of predatory pricing remains a principal prop of its vertical and conglomerate antimerger cases. As for "secondary line" discrimination (that is, giving discounts to some dealers or distributors but not to others who compete with them), the Commission has never attempted to differentiate those cases (if there are any) in which a monopolistic buyer is able to extract unjustified price concessions from his suppliers to the prejudice of his competitors from those in which discrimination is employed by oligopolistic sellers who wish to cut prices secretly—and should be encouraged to do so—and those in which price *differences* (which the Commission tends to equate, erroneously, with *discriminations*) are not, in fact, discriminatory. Over the last eight years the Commission, often under the prodding of reviewing courts, has pulled some of the sting from enforcement of Robinson-Patman against secondary-line discrimination. It has demanded somewhat stronger proof of competitive injury; the meeting-competition and cost-justification defenses have been rendered meaningful; and the provisions of the Act relating to advertising allowances and brokerage payments are, in general, no longer used to compel sellers to compensate for services that are not economically beneficial to the seller (such as advertising by tiny retail outlets or brokerage when a broker's services can be dispensed with).

Although the retreat from *per se* rules against secondary-line discrimination has led to a general diminution of enforcement activity by the FTC (private suits continue, of course, and are discussed later) the Commission still brings many cases that impair, rather than promote, competition and efficiency. For example, the Commission has in recent years waged vigorous war against "functional discounts", which are discounts offered to middlemen who perform certain distributive functions (such as warehousing) that other middlemen, who are not given the discounts, do not perform. Moreover, as explained later in this Report, we can conceive of no case of discrimination in which the Sherman Act would not provide an adequate remedy—adequate, that is, to protect the interest in maintaining an effectively competitive economy—and so we view Robinson-Patman enforcement as inherently likely to be pushed beyond proper limits.

The efforts of the Commission to protect

small dealers from allegedly unfair and coercive business practices constitute a dark chapter in the Commission's history. Much of this enforcement activity does not eventuate in formal proceedings. What happens is that a dealer who is terminated, for whatever reason, is likely to complain to the Commission, knowing that the relevant Commission staff is well disposed toward "small business". The staff uses the threat of an FTC proceeding to get the supplier to reinstate the dealer, and if threats fail—usually they succeed—the FTC may file a complaint charging the supplier with having cut off the dealer because he was a price cutter, or for some other nefarious reason. Our impression, in sum, is that the Commission, especially at the informal level, has evolved an effective law of dealer protection that is unrelated and often contrary to the objectives of the antitrust laws. The Commission is supported in this endeavor by the Supreme Court's rulings that Section 5 of the FTC Act empowers the Commissior to suppress practices that *resemble* antitrust violations.

With respect to the Commission's enforcement policy in the merger field, it is illuminating to compare the recent statements of Commission merger policy with the Department of Justice Merger Guidelines, discussed elsewhere in this Report. The Commission is even more severe. Unlike the Department, it attaches a good deal of significance to the absolute size (independent of market share) of merging firms; to the alleged power that large firms have over small; and to the dangers of "price squeezes", It will, for example, challenge virtually *any* acquisition by a cement producer of a ready-mix concrete company, virtually *any* substantial acquisition by a large food chain, etc. The Merger Guidelines are models of restraint compared to those promulgated by the Commission, which are as hard on economic theory as on mergers.

We conclude that substantial retrenchment by the Commission in the antitrust field is highly desirable. In addition to retrenchment (at least by stopping the increase of the Commission's appropriations), its resources devoted to regulating competition might be redeployed. The two principal possibilities are (1) consumer protection, and (2) economic studies utilizing the very broad fact-gathering powers vested in the Commission by its enabling legislation. Unhappily, either route could be followed in a way that endangered competition. An incompetent economic study can be influential on policy makers—witness the influential 1948 FTC study which erroneously suggested that concentration was on the rise in American industry. Overzealous enforcement of consumer-protection legislation can also have errant results. We note that the application of consumer-protection law is almost always invoked not by consumers but by competitors, whose interest lies in protecting their market, not in giving consumers full information; and that elaborate requirements relating to packaging, safety, etc. can curtail consumer choice, limit competition, reduce the consumer's incentive to exercise care, and—what is most serious—impose substantial costs on society.

The Federal Trade Commission urgently needs a basic reform, but this need will be difficult to fulfill. Quite apart from the fact that there are no vacancies on the Commission, any dramatic or far-reaching Presidentially-inspired reforms would run up against the long tradition of regarding the independent agencies in general—and the FTC in particular—as "arms of the Congress". That has at times meant an office of economic opportunity for Congressmen; more important, it means that a strong showing of Presidential interest in the operations of the Commission will not be welcome on the Hill.

Perhaps the best short-run path of improvement runs through the offices of the Attorney General and the Assistant Attorney General in charge of Antitrust. Since the jurisdictions of the Commission and of the Antitrust Division are so largely overlapping, no one could object to the establishment between the Commission and the Division of close liaison at the highest levels. Indeed, it is something of a wonder (though explicable in terms of bureaucratic rivalry) that such liaison has been wholly lacking heretofore; the only coordination between the agencies is at very low levels, and consists largely of haggling over who shall sue in cases where both agencies are interested. Especially at the beginning of a new Administration, it should be quite feasible, as well as wholly appropriate, for the Attorney General and Assistant Attorney General to establish a close cooperative relationship with the Chairman of the Commission. We think it likely that the Commission will pay some heed to the Department's views, if forcefully expressed, on antitrust and trade-regulation policy.

III. RECOMMENDED CHANGES IN ANTITRUST POLICIES

The general policies of the Antitrust Division are profoundly good, and we propose no major change in its emphasis or directions of policy. In fact, the main thrust of the following recommendations is that certain recent developments of policy or doctrine should not be allowed to divert the agency from its basic task of striking down conspiracies and mergers in restraint of trade.

A. Price-fixing

The price-fixing cases of the Antitrust Division are its bread and butter, and understandably its staff would prefer more cake. We emphasize the great economic and social importance of continued, vigilant, aggressive seeking-out and conviction of conventional price-fixers. Every victory weakens the efficiency of undetected collusion in that area of economic life. We strongly recommend the bringing of a series of strategic cases against regional conspiracies, which we believe to be numerous and economically important.

B. Concentration and oligopoly

Oligopoly—the industry composed of a small number of independent enterprises—undoubtedly presents the most difficult problems in a policy for competition. The difficulties arise because of a combination of three circumstances. The first is *factual:* there are many important industries in our economy whose structure is oligopolistic—how large a number depends upon what a "small number of firms" means. The second is *interpretive:* the economists have not succeeded in fully identifying the characteristics of an industry which determine whether it will behave competitively or monopolistically. The third is the matter of *action:* If firms in an oligopolistic industry are convicted of collusive behavior, must one press for a remedy so radical as dissolution in order to stop future repetitions of the offense? (And should the standards of permissible concentration be wholly different for pending mergers than for established enterprises?)

The circumstances which determine whether or not the firms in an oligopolistic industry will usually behave more or less competitively (seeking by independent actions to improve their individual profits at the cost of rivals' profits, with the eventual general erosion of unusual profits) are partly known:

1. The easier (quicker and cheaper) new firms can enter the industry, the smaller and more short lived will be the monopolistic restrictions.

2. The more elastic the demand for the product of the oligopolistic industry the less the reward from restrictions of output below the competitive level, and hence the less the inducements to act collusively. This in turn usually depends upon what alternative products the buyers may turn to.

3. The larger the effective number of firms the less the probability of collusive behavior—collusion increases in expense (including probability of detection) as numbers increase. However, a given number of firms is more likely to result in collusion, the more concentrated is production in the hands of a few firms. If we correct for this and take the effective number of rivals to be the number of rivals of equal size which would produce the same competitive situation as the firms (not of equal size) actually in the industry, the effective number may be very roughly estimated at twice the number there would be if all firms were as large as the largest in the industry. That is, if the largest firm has ⅓ of the industry's output and the remaining firms fall off in size regularly, the effective number of firms is of the order of magnitude of 10. By this is meant that the concentration in the industry is equivalent to what would exist if there were 10 firms of equal size.

There are other influences which probably but less certainly affect the probability of competitive behavior. One of these is the size of buyers; larger buyers, for a variety of reasons including possibility of backward integration, make for more competitive prices.

Numerous statistical studies have been made of the relationship between concentration and rates of return on investment, and these studies generally yield positive but loose relationships: concentration is not a major determinant of differences among industries in profitability, although it may sometimes be a significant factor. It appears also to be true that somewhere between five and ten *effective* rivals (i.e., a largest firm with a share of ⅓ to ⅕) are usually enough to insure substantial elimination of the influence of concentration upon profitability.

Concern with oligopoly has led to proposals to use the antitrust laws (perhaps amended) to deconcentrate highly oligopolistic industries by dissolving their leading firms. We cannot endorse these proposals on the basis of existing knowledge. As indicated, the correlation between concentration and profitability is weak, and many factors besides the number of firms in a market appear to be relevant to the competitiveness of their behavior. While a flat condemnation of oligopoly thus seems to us unwise, we commend to the Antitrust Division a policy of strict and unremitting scrutiny of the highly oligopolistic industries. If, in any of these industries, pricing is found after careful investigation to be substantially non competitive, the Division will have a clear basis for proceeding against the leading firms under Section 1. Collusion that can be incontrovertibly inferred from behavior (such as persistent, stable price discrimination in the economist's sense) should not bring immunity from the Sherman Act, and we are confident that structural remedies will be sanctioned by the courts in cases where, due to number of firms and the other conditions of the market, lesser remedies are likely to be unavailing. In assessing the gain from such structural remedies, account should be taken of any reduction in efficiency which the remedy entails.

The concern with oligopoly is also quite visible in the Department of Justice's major recent innovation, the Merger Guidelines, to which we now turn.

C. Mergers and the guidelines

The present merger Guidelines impose stringent restrictions upon the relative sizes permitted to companies which desire to merge. The impact of these percentages is reinforced by a definition of the market (within which shares of companies are reckoned) so loose and unprofessional as to be positively embarrassing. We propose to reverse this emphasis: not to tell companies which

mergers are forbidden, but which mergers are permitted. We are persuaded that this orientation better serves the interests of both business and the Antitrust Division. Before we turn to the methods by which more appropriate Guidelines for mergers are achievable, we shall briefly discuss the present Guidelines, and indicate our reasons for dissatisfaction with them in their present orientation.

Market definition.—The delineation of a relevant market within which to appraise the lawfulness of a merger is crucial, for if the market is drawn narrowly enough, virtually any merger can be made to seem monopolistic in its effects. Unfortunately, as they are presently drafted the Guidelines seem to invite a substantial degree of market gerrymandering, especially in delineating regional or local markets. The Guidelines' test of whether a product is sold in less than a national market is loose. Any group of competing sellers in the industry is a relevant market, unless the defendant can show that there is no "economic barrier" preventing other sellers from selling in the particular area. Such a barrier may consist of freight costs, customer inconvenience, customer preference for the brands presently sold in the areas, or the absence of good distribution facilities.

This is a misleading test. An industry may be riddled with the kind of "barriers" cited in the Guidelines and yet still not contain any meaningful local markets. An example will illustrate. Assume that the price of steel bars is $2 in Minnesota and $1.60 in Chicago, and the cost of shipping the bars from Chicago to Minnesota is 41 cents. On these facts, it is plain that the Minnesota sellers could not raise their price significantly without immediately losing their business to the Chicago sellers. Minnesota is thus not a meaningful local market even though, at the existing price, freight costs do impose an effective economic barrier against the Minnesota sellers. Moreover, additional firms will establish production or distribution facilities in Minnesota if it becomes profitable to do so. The same analysis can be extended to the other barriers discussed in the Guidelines.

In criticizing the test of "economic barrier", we do not mean to deny the difficulty of devising rules of market definition that will be at the same time simple and sensible. This is most probably not an area in which Guidelines provide a useful enforcement tool. If there are to be Guidelines, though, they should at least not misstate the applicable economic theory. It would, accordingly, be a decided improvement if the Guidelines were revised (at a minimum) to explain that a distant seller of a product must be included in the local market if a modest price increase in the local area—a price increase unrelated to *his* costs—would bring him in forthwith.

Horizontal mergers.—The provisions of the Guidelines governing horizontal mergers—that is, mergers between direct competitors—are extraordinarily strict. If a market is "highly concentrated" (defined as where the 4 largest firms account for at least 75 percent of the sales in the market), then a merger between two firms, each of which has a 4 percent market share, will be challenged: and if the acquiring firm has a share as large as 15 percent, then the acquired firm need have only a 1 percent share for the merger to be challenged. Different levels of permissible size are stated for less concentrated industries, and some account is taken of the trend of concentration.

We agree with the basic premise of the horizontal-merger provisions of the Guidelines that market-share percentages are the appropriate touchstone of illegality for such mergers. We would favor levels of concentration modestly *lower* than those now used (but differently structured), with the purposes of (1) allowing all mergers below the Guidelines levels, and (2) not prohibiting, but reviewing, those above the critical level, with an implied probability that the more a proposed merger lies above the level of automatic approval, the less the probability of its acceptance. We discuss below the procedure that should be followed better to utilize existing knowledge in fashioning the Guidelines.

Vertical mergers.—A merger that involves the acquisition not of a competitor but of a customer or a supplier is a vertical merger, and the present Guidelines contain strict provisions limiting such mergers. For example, if the supplying firm in the merger has a 10 percent share of its market and the purchasing firm has 6 percent of the purchases in that market, the merger will be challenged.

Our task force is of one mind on the undesirability of an extensive and vigorous policy against vertical mergers: vertical integration has not been shown to be presumptively noncompetitive and the Guidelines err in so treating it. Within this area of agreement there are two positions around which the task force members cluster.

The one position asserts that many, and perhaps most, vertical mergers which do not have direct horizontal effects are innocuous, but that in certain situations a vertical merger will have anti-competitive effects. These situations include: increases in the capital or other requirements for an integrated firm may reduce the possibility of new entry; or price discrimination may be implemented when a monopolist integrates forward or backward. A showing that an anticompetitive effect of these sorts exists is essential before a vertical merger is challenged.

The other position denies that a vertical merger has the potentiality for economic harm in the absence of horizontal effects. To some of our members, it is wholly implausible that vertical integration places entering firms at a disadvantage. A seller who fails to minimize his input and distribution costs will be undersold by his competitors: he cannot afford to sell to or buy from an affiliate if there are more efficient alternative means of supply and distribution available to his competitors (and to him). Even if the seller is a monopolist, the desire to maximize profits will lead him to seek the most efficient methods of supply and distribution, and there will be ample opportunities for nonaffiliated suppliers and outlets to compete for his patronage. Except in the case of the monopolist who cannot discriminate in price effectively without control of his outlets, vertical integration will be initiated and maintained only if and so long as it is justified by the cost savings it permits. It is not a method of extending monopoly power.

The two positions coalesce on one policy conclusion: vertical mergers should not be forbidden as a class.

The conglomerate merger.—The large conglomerate enterprise with an aggressive acquisition policy has only recently become prominent and newsworthy. Almost by definition such a firm poses at most a minor threat to competition, but nevertheless criticism of it is beginning to mount. Some critics deplore the disappearance of independent enterprises and find a threat of sheer bigness to political or economic life. Other critics believe that the conglomerate firm is spawning unhealthy speculation in the securities markets.

Antitrust law has seemed to some a convenient weapon with which to attack large conglomerate mergers. If one interprets "elimination of potential competition," "reciprocity," and "foreclosure" as threats to competition, one can always bring and usually win a case against the merger of two large companies, however diverse their activities may be. These are often makeweights. The economic threat to competition from reciprocity (reciprocal buying arrangements) is either small or nonexistent: monopoly power in one commodity is not effectively exploited by manipulating the price of an unrelated commodity. The argument advanced against the simplistic treatment of vertical mergers—essentially that one cannot use the same monopoly power twice—also challenges the fears of reciprocity.

Potential competition, on the contrary, can be a decisive limitation on the exercise of market power, and a merger which eliminates an imminent new competitor is anticompetitive. If entry into a field is relatively easy, however, there are a vast number of potential entrants and the elimination of one or a few has no effect. If entry is difficult, and only a select few firms are capable of entry and on the record likely to enter, their independence should be preserved. The identity of potential entrants should not be established by introspection. If the producer of X is truly a likely entrant into the manufacture of Y, the likelihood will have been revealed and confirmed by entrance into Y of other producers of X (here or abroad), or by the entrance of the firm into markets very similar to Y in enumerable respects.

We seriously doubt that the Antitrust Division should embark upon an active program of challenging conglomerate enterprises on the basis of nebulous fears about size and economic power. These fears should be either confirmed or dissipated, and an important contribution would be made to this resolution by an early conference on the subject. If there is a genuine securities market problem, probably new legislation is necessary. If there is a real political threat in giant mergers, then the critical dimension should be estimated. If there is no threat, the fears entertained by critics of the conglomerate enterprises should be allayed. Vigorous action on the basis of our present knowledge is not defensible.

The central task of the Antitrust Division is to preserve competition in the American economy. This is a splendid and challenging task and deserves and requires the full resources of the Division. We shall be much the losers if we compromise the discharge of this central task by burdening the Division also with tasks such as the combatting of organized crime or the achievement of general political goals.

The use of conferences.—We have proposed that conferences be used to revise the Guidelines and to identify the problems, if any, created by the large conglomerate enterprise. The conference will allow the Antitrust Division to utilize the expertise and wide factual knowledge of economists, lawyers, securities analysts, and other groups without the laborious machinery of formal hearings. We strongly recommend that before such conferences are held, leading students and exponents of particular positions be asked to prepare position statements which present explicit and specific theories and evidence. Then the conference members will have specific questions to address and specific views to combat or support.

D. Antitrust sanctions

The cutting edge of law is not the abstract statement of a legal duty but the sanction provided for its nonperformance, and that is true of the antitrust laws as of other systems of legal obligation. It is essential that those laws clearly and accurately define and forbid the practices that impair competition and efficiency but it is equally essential that the sanctions for violation be effective in compelling compliance and with a minimum of undesirable side effects.

In testing the antitrust sanctions by this standard, it will be helpful to distinguish two purposes of sanctions: that of preventing (or, if it has already occurred, undoing) a specific violation; and that of deterring

violations that might not always be detected. Sanctions of the first type—remedial sanctions—suffice where there is no problem of detection (e.g., in the case of an illegal merger). But take the case of price-fixing. Price-fixing conspiracies can be, and one suspects often are, successfully concealed. A sanction that merely prevented the continuation of the conspiracy, such as an injunction, or one that merely restored the losses of the injured consumers, such as ordinary damages, would in these circumstances probably be insufficient. For in deciding whether to comply with the law, a seller would discount the very modest (or negligible) injury to him if his participation in a price-fixing conspiracy was detected, and he was required to stop and to pay actual damages, by the considerable probability that he would escape detection altogether; and he could conclude that he had little to lose by participating. That is why punishment by fine or imprisonment is an appropriate sanction for illegal price-fixing; it provides deterrence, as the purely remedial sanction does not.

But the deterrent sanction in antitrust is weak. A price fixer can be imprisoned and fined but prison terms are almost never imposed in price-fixing cases and when they are, they are nominal in length; and the maximum fine of $50,000 will deter only a very small corporation. The possibility of a private treble-damage suit doubtless provides additional deterrent effect, but there are serious limitations: judges are reluctant to authorize damage awards that seriously hurt a company; damages are difficult to prove in price-fixing cases; and, most important, the injury caused by a price-fixing conspiracy is often so widely diffused (for example, among millions of consumers) that no one has an incentive to bring a suit. The government itself can sue for damages only when it was the victim of the unlawful conspiracy.

If concealable offenses under the antitrust laws are to be effectively deterred, either the resources devoted to the detection of such offenses must be vastly augmented—and there are obvious limitations to this route—or the fines must be increased to a point where they will give even the large corporation considerable pause before participating in (or condoning its officers' individual participation in) an illegal conspiracy. Precedent for much more severe sanctions can be found abroad. The European Economic Community, for example, may impose penalties of up to $1,000,000, or, in the case of willful violations, up to 10 percent of annual sales. We have not attempted to determine the appropriate level of antitrust fines but we urge the Department of Justice to accord high priority in its legislative program to the upward revision of these penalties.

The creation of a more realistic scheme of antitrust fines would enable a long-overdue reexamination of the punitive aspects of the private antitrust suit. It is anomalous that private plaintiffs who have done nothing to uncover or prove an antitrust violation (the usual case) should be permitted to claim treble damages on the basis of a judgment obtained by the Antitrust Division. In such circumstances, the excess over actual damages and costs represents a pure windfall to the private plaintiff. Today, one can defend this arrangement on the ground that it furnishes an element of added deterrence which is necessary in light of the inadequacy of the existing criminal fines. But that ground would be removed if the fines were revised to a more appropriate level; and a more rational scheme of deterrence would become feasible. We are also deeply concerned that private treble damage suits provide undesirable opportunities for harassment and the furtherance of a variety of anticompetitive practices.

With regard to remedial sanctions, the principal question involves the undesirable side effects that frequently accompany a poorly formulated decree. Ideally—and it is an attainable ideal—an antitrust decree should be a "one shot" affair: dissolving the monopoly, or divesting the acquired assets, or terminating the basing-point system, etc. The antitrust laws were never intended to be a system of continuing regulation. Antitrust policy has as its basic principle the preservation of a competitive environment within which individual enterprises are free from continuing supervision. When a decree says, in effect, "Let us return to the court, or give the power to the Antitrust Division, to adjudge the propriety of various behavior of the defendant for years to come," one can be sure that the suit has failed in its purpose of restoring competitive conditions. Nor is the Department equipped to function as a regulatory agency, and it is not likely to escape that common pitfall of economic regulation, the suppression of competition. Nonetheless, such decrees are frequently entered, especially by consent of the parties in cases where the Department (or the Federal Trade Commission, to which these remarks apply with equal, if not greater, force) is unsure of its litigation prospects and wishes to salvage something from the investment of enforcement resources.

For the future, we urge that the Department adopt a firm policy of not proposing or accepting decrees that envisage a continuing, regulatory relationship with the defendant. A correlative policy that we suggest is that every decree contain a definite—and near—termination date, ordinarily no more than 10 years from the date the decree is entered. Such a principle would compel the Department to devise decrees that restore competition rather than establish regulation, as well as assure that decrees do not remain in effect long after the relevant industrial conditions have changed (such as with the 1920 decree against the meat packers).

Little is known of the extent to which a large number of past decrees are still operative, and if operative, of any real value in protecting competition. We recommend, therefore, some such procedure as this in dealing with outstanding decrees:

1. The past decrees still running should be compiled, and the types and duration of prescribed conduct summarized.

2. The current relevance of the decrees, or at least those running against large industries, should be examined—presumably by the economics section of the Antitrust Division.

3. The older (say 25 years and over) and obsolete younger decrees should be vacated.

E. Recommended changes in antitrust statutes

Several legislative reforms could improve substantially the functioning of the antitrust laws. We have recommended above a substantial increase in the maximum level of fines. In addition, we recommend immediate repeal of the Expediting Act. The low quality of many Supreme Court antitrust opinions can be traced in no small measure to the fact that direct appeal frequently requires the Supreme Court to pass on an extensive record without the benefit of the winnowing and focusing process involved in an intermediate appeal. The Supreme Court itself has noted that direct appeal is unsatisfactory. If repeal is politically impossible, then an amendment that would drastically limit the number of direct appeals would be desirable.

The Webb-Pomerene Act should also be repealed. The creation of cartels in foreign commerce is antithetical to the underlying theory of the Sherman Act. The danger that exempted cooperation between competitors in the export field will lead to illegal cooperation at home is too great to be viewed as merely a potential abuse. Nothing in U.S. domestic competition policy or foreign economic policy warrants the retention of this outmoded approach to international competition.

On the agenda for long-term legislative reform must be the Robinson-Patman Act. The Act leads to rigidity in distribution patterns and to uniform, inflexible pricing. In industries with few sellers, price reductions are more likely to be made if they can be made covertly. Such limited reductions often lead over time to generally lower prices. Thus, a prohibition against price discrimination may preclude the kind of competition that is most likely to lead to lower prices in oligopolistic industries. We view the Federal Trade Commission's tendency in recent times to relax the enforcement of the Act as a desirable but, so long as private treble damage actions are available, an inadequate reform.

In reforming the Robinson-Patman Act, two kinds of amendment are desirable. First, the general prohibition against price discrimination in Section 2(a) should be made more supple by broadening the meeting competition and cost justification defenses so as to make them more readily available for sellers whose price differentials do not stem from a predatory purpose and do not injure competition in the market place (as opposed to disadvantaging individual firms). Second, the more absolutist brokerage, payments and services prohibitions of subsections (c), (d) and (e) should be repealed while making clear that the standards of amended subsection (a) remain applicable to practices that would previously have been treated under those repealed subsections. The Task Force recognizes the political support that the Robinson-Patman Act retains in some quarters and the danger that an attempt to amend the Act might give particular interests an opportunity to add even more restrictive provisions. As a consequence, some of our members view amendment of the Act as a long-term, albeit important, reform; others wish to leave it alone.

Ward S. Bowman, Jr., Ronald H. Coase, Roger S. Cramton, Kenneth W. Dam, Raymond H. Mulford,* Richard A. Posner, Peter O. Steiner, Alexander L. Stott,* George J. Stigler, Chairman.

DISSENT OF R. H. MULFORD WITH RESPECT TO PORTIONS OF REPORT OF TASK FORCE ON PRODUCTIVITY AND COMPETITION

Mr. Raymon H. Mulford dissents from two recommendations in the Report:

1. He does not believe that the maximum fine of 50 thousand dollars for violation of the Sherman Act should be increased.

2. He does not believe that the Webb-Pomerene Act should be repealed.

DISSENT OF A. L. STOTT WITH RESPECT TO PORTIONS OF REPORT OF TASK FORCE ON PRODUCTIVITY AND COMPETITION

I cannot accept the recommendations of the Task Force with respect to competition in the regulated industries.

What is recommended is that, without seeking Congressional action changing existing regulatory statutes, the Administration exert pressure to compel regulatory authorities to adopt a new interpretation of such statutes which is radically different from the interpretation long established as being intended by Congress. The report recommends that the President issue a general policy statement to implement this approach. I believe that these recommendations of the Task Force are unwarranted and that it would be unwise for the President to assume the role which the report contemplates for him in the regulated area of the economy.

Under the approach of the Task Force regulatory authorities would be pressured by the Administration into giving primary importance to the imposition of competition on regulated industries. The basic difficulty I have with this approach is that it ignores

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*Subject to dissent which follows below.

the fact that in certain areas of the economy, notably in industries with "natural monopoly" characteristics, Congress has clearly and unmistakably adopted a policy not to promote but to limit competition. Moreover, it ignores the fact that it is for Congress, not the Executive Branch, to determine the relative roles of competition and regulation in the economy.

The report treats as regulated industries not only the industries with "natural monopoly" characteristics, such as the electric, gas, water and communications industries, but also the financial, radio and television industries. It then takes a broad view as to all of them that the present statutory controls should be replaced wherever possible by competition, and that the Administration should direct its attention toward imposing competition on regulated industries.

However, the public interest considerations and the schemes of governmental control are entirely different in the case of (1) industries with "natural monopoly" characteristics and (2) the other industries mentioned. Although the industries in the second group are subject to varying degrees of governmental control, prices are not regulated, except in unusual situations, and competition is expected and required by law. It has been the long established public policy of this country, however, to subject industries with "natural monopoly" characteristics to much more comprehensive governmental regulation, in lieu of competition, as to many aspects of their businesses including entry, prices, services, accounting, depreciation, etc. This method of regulation has not been free of problems. However, I believe that such problems can be solved within the framework of the present regulatory structure without a change of existing laws.

The report is critical of the existing regulatory purposes as well as the regulatory processes, and casts doubt on the effectiveness of regulations in general. The criticism is not supported by any factual showing. The report urges that only by superimposing competition on regulation can proper objectives be achieved. There is no reference to the unfortunate results that the imposition of competition has produced in the railroad industry.

I want to make it clear that I am not urging that competition is never appropriate in the regulated field. My point is that, where legislation calling for strict regulation of the prices and services of an industry because of its "natural monopoly" characteristics has been enacted by Congress, any competition imposed upon the industry must be consistent with the statutory scheme of regulation. Competition cannot properly be imposed on such an industry just for the sake of competition on the general assumption that competition is bound to be of advantage. The courts have held that it is for Congress to establish the public policy of the United States as to the relative role of regulation and competition in our economy. In *FCC* v. *RCA Communications, Inc.*, 346 U.S. 86 (1953), the Supreme Court held that the Congress has *not* established a national policy in favor of competition within the regulated public utility field, Indeed, in that case the Court expressly prohibited the FCC from authorizing competition in a comprehensively regulated field without warranting some specific benefits to the public, saying: "Merely to assume that competition is bound to be of advantage, in an industry so regulated and so largely closed as is this one, is not enough."

Under the existing statutory schemes of regulation competition is permitted in an industry with "natural monopoly" characteristics only when found to be in the public interest by the governmental agency having jurisdiction over the industry. Before a determination of this kind is made the governmental agency holds extensive hearings, and all parties affected are heard. Of course, the views of economists are sought and carefully weighed in the process. However, in proceedings of this nature no generally accepted economic principles have emerged that could substitute for the judgment determinations intended by the statutes and made by regulator agencies after considering the business, economic, sociological, political and other public interests factors involved.

It must be recognized that a proceeding of this kind can involve issues of a major national importance. This is certainly true as to a number of proceedings of this nature now pending before the Federal Communications Commission.

The Task Force report would change this present regulatory procedure, and it makes several recommendations as to the courses of action that should be taken to effect the change. Among the recommendations, the report would "urge the commissions to permit free entry in the industries under regulation and to abandon minimum rate controls, whenever these steps are possible—and we think they usually are". The President is asked to designate the Antitrust Division as the "effective agent of the Administration" to put pressure on the regulatory agencies to act in accordance with the views expressed in the report. This approach appears to me a misunderstanding of the proper function of the Department of Justice in the regulated field.

Like all executive departments, the proper function of the Department of Justice is the enforcement and execution of the laws of the United States. Activities of the Department of the kind proposed by the Task Force before regulatory agencies would, however, not relate to the enforcement of the antitrust laws. On the contrary, the proposal would seem designed to place the Department in the position of urging regulatory commissions to adopt economic policies which are *not* based on the public policy of the United States as expressed by Congress in the antitrust laws or elsewhere. To the extent that it is within the power of commissions to adopt competition in the regulated areas, they can do so only in the exercise of their administrative discretion. The Department of Justice, however, has no special competence in advising commissions how to exercise their discretion in the proper discharge of their regulatory functions. In this connection it is significant that the Attorney General has consistently taken the position that it is improper for him, in the exercise of his function of giving opinions to executive departments, to advise them as to questions of administrative policy. I believe that it would be equally improper for the Department to use its prestige and power to force regulatory agencies to adopt administrative policies along the lines urged in the report.

Another important recommendation is that the President issue a general policy statement which would place the prestige and force of his office behind the recommended changed method of operation under regulatory statutes. It would place the President in the position of attempting to change national public policy as incorporated in the statutes which dictate that competition should be introduced into the regulatory industries only when commissions who have extensive experience with the industry are satisfied after careful study that the public interest requires such competition. It might be construed as an attempt by the Administration to interfere improperly with the operations of the independent regulatory agencies. If the President has doubts as to the effectiveness of the present regulatory laws, I believe the proper approach for him would be to request Congress to study the situation with a view to altering the existing laws. Based on my knowledge of the purposes and performance of regulation, I feel that the approach of the Task Force is unwarranted and is not the proper way to undertake such an important change in regulatory policy.

WORKING PAPER FOR THE TASK FORCE ON PRODUCTIVITY AND COMPETITION: THE CONGLOMERATE MERGER

(By Ronald H. Coase)

There is a loud clamour to proceed against conglomerate mergers under the antitrust laws and the political pressures exerted for such action are strong. It is my view that such pressures should be resisted, an opinion which I know is shared by some other members of the Task Force.

The acquiring of an enterprise by a firm which has interests in other unrelated enterprises, unlike a horizontal merger, has no direct anti-competitive effects. It leaves the competitive situation essentially unchanged. Indeed, the main complaints about the conglomerate relate to other things. It is said that a firm with a high price/earnings ratio (based on the assumption that its profits will grow rapidly) is able, through acquiring firms with a low price/earnings ratio, to produce an apparent rise in the per-share earnings and thus justify the pre-existing belief in the rise in its profits. It is, of course, clear that this process cannot go on for long, (if this is the real basis for the conglomerate's rapid growth in profits) since it needs more and more acquisitions of organizations with low price/earnings ratios to maintain this apparent rapid growth in the earnings of the conglomerate, as the acquired firms are presumbaly ones in which there is little prospect of a rise in earnings or a considerable chance of decline. Whether investors are, in fact, misled about what is going on, I do not know. But if there is a problem, it seems clear that is one for the Securities and Exchange Commission.

It is also claimed that these conglomerates will be inefficient. A more likely result is that some will be inefficient and some will be efficient. Competition will sort them out. Those that are inefficient will find resources hard to get and may indeed be forced to dispose of some of their constituent parts. As it is impossible to determine by court proceedings which of these mergers will be efficient and which will not, and competition will in fact do this (and probably in less time than the court proceedings would take), there seems little point in using the efficiency issue as a basis for antitrust actions.

Some support for antitrust action against conglomerate mergers has been based on the fact that the firms might engage in reciprocal buying between constituent units. This practice might, of course, lead to greater efficiency (for example, by reducing marketing costs) or it might lead to inefficiency (by substituting a subsidiary's higher cost supplies for an outsider's lower cost supplies). If this practice leads to efficiency, there is no reason to stop it; if it leads to inefficiency there is no reason why the conglomerate should adopt it (since it would reduce its overall profits).

No convincing case has as yet been made for taking antitrust action against conglomerate mergers. Until it has, the Antitrust Division should resist the pressures and devote its resources to combatting clear threats to the competitive process.

I do not regard this conclusion as inconsistent with the view that there are other values to be taken into account apart from the efficiency, narrowly conceived, with which society uses its resources. One of these values is that it is undesirable to hang a man for an imaginary crime. If policy is to be based on "fear of size," it is surely desirable to discover what is really feared, whether it results from size and whether this comes about in all circumstances or only

in some. Even if these fears are properly based and size in certain circumstances is found to have consequences that ought to be feared, and these consequences are such as to be properly dealt with under the antitrust laws, it is by no means clear that the Department of Justice should give first priority to recent conglomerate mergers, most of which are outranked in size by a hundred or more other firms in the United States. What I urge (with no more than that modicum of moral fervour proper in the circumstances) is that antitrust actions should not be brought unless there is reason to believe that the practices attacked have serious adverse consequences, properly handled by the antitrust laws. This does not seem to me to have been established, as yet, in the case of the conglomerate merger. A regard for procedural decency may indeed often reduce one's chance of influencing policy but not, I hope, when one is dealing with the Department of Justice.

WORKING PAPER FOR THE TASK FORCE ON PRODUCTIVITY AND COMPETITION: RECIPROCITY

(By George J. Stigler)

The allegation of reciprocity in the dealings between independent companies is extremely widespread, although systematic quantitative study of the extent of reciprocity has never been made. The doubts of the importance of reciprocity (except in one important and identifiable class of dealings) held by the economist may be stated.

Consider first the fully competitive situation in which seller S produces X, and purchases Y in producing it, and buyer B produces Y, and purchases X in producing it. Now let B initiate reciprocity, refusing to buy X from S unless S buys Y from B. The possibilities are:

1. B sells Y on the same terms as his rivals (and, in each of these cases, S sells X on the same terms as *his* rivals). There is no cost-or-gain to either party in the reciprocity.

2. B sells Y on more favorable terms than his rivals. Then compulsion is not necessary to get S's patronage.

3. B sells Y on less favorable terms than his rivals. Then S will be injured by purchasing from B.

Clearly, in case 2 there need be no compulsion to reciprocity and in case 3 the reciprocity will be refused. Case 1 is harmless and pointless, and I assert that it is quantitatively negligible. The non-economist will often object to case 1:

(a) The preference given B's product is unfair to rivals selling on equal terms. The answer is double: the preference will not be given if it imposes *any* cost on S; and if there is competition the rivals are not injured in the least: they can sell elsewhere the quantity they previously sold to S, and without a reduction of price. Differently put: neither supply nor demand has changed, so price will not change.

(b) The reciprocity eliminates "selling expenses". Putting the question of fact (for often reciprocity complicates trading), if there are economies from the reciprocity, the practice *should* spread, and will not injure competition.

The opposite situation, where S is the only seller, B the only buyer, raises no interesting questions of reciprocity, which is inherent and unavoidable. There remains the case of one-sided monopoly.

So long as the seller (or buyer) with monopoly power has a single price, reciprocity has no real effect. Suppose the monopolistic seller extorts a preferential price from the buyer—then he is using a portion of his monopoly powers indirectly when he could be obtaining the same extra sum directly by selling at a higher price. If the seller (or buyer) with monopoly power sets a different price for some buyers than for others (and so practices price discrimination), it is possible that he may increase his profits. But the only purpose in varying prices through reciprocity (paying different prices to different customers for their products) would be to conceal the discrimination.

The case *for* reciprocity arises when prices cannot be freely varied to meet supply and demand conditions. Suppose that a firm is dealing with a colluding industry which is fixing prices. A firm in this collusive industry would be willing to sell at less than the cartel price if it can escape detection. Its price can be reduced in effect by buying from the customer-seller at an inflated price. Here reciprocity restores flexibility of prices.

In short reciprocity is probably much more talked about than practiced, and is important chiefly where prices are fixed by the state or a cartel.

WORKING PAPER FOR THE TASK FORCE ON PRODUCTIVITY AND COMPETITION: VERTICAL INTEGRATION BY MERGER OR BY CONTRACT

(By Ward S. Bowman)

The law prohibiting vertical mergers and various forms of vertical contracts has become increasingly stringent, inconsistently applied to different arrangements having identical economic effects, but more important, has had profoundly anticompetitive results. The notion that vertical arrangements can, by foreclosing or excluding rivals create or maintain monopoly has been misconceived by legislators, antitrust prosecutors and courts. Such integration, neither in theory nor in practice, has yet been shown to confer any ability to alter market price, to impede entry, or to add any unique ability to employ predatory tactics. Vertical integration provides no disclosed means of leveraging into new monopoly, of excercising "price squeezes", or of discriminatorily cutting prices at one level by advancing prices at another. On the contrary, this form of integration, whether by merger or various forms of contractual arrangements, can and does enable the integrating firm to bypass or erode monopoly elsewhere, and, equally important in achieving antitrust goals, to attain efficiencies in production and distribution.

Antitrust law is composed of two very different theories of how competition may be injured—how, through misdirection of resources, the output of what consumers want most is restricted. The first theory holds that competition may be injured, and resources misallocated so as to reduce the real wealth of the community, by the elimination of competition among consenting rivals. This is the theory upon which the law against cartels and horizontal mergers is based. Though sometimes difficult to apply in merger cases because of inability to predict whether the output-restricting effect of the merger, occasioned by the fewer number of competitors, will be outweighed by the output-expanding effect, occasioned by more efficient production and distribution, it is appropriate to stress the very real danger that competition can be injured by horizontal merger in the same manner as it can be by cartels when the merging companies achieve control of high proportions of sales in a market.

A second theory of how competition may be injured, the one relevant in the assessment of vertical arrangements, holds that any substantial adverse effect upon competitors' access to customers or suppliers can be harmful to competition. The foreclosing of rivals from those sources of supply or markets which absent the vertical arrangement might conceivably be available to them, this theory holds, will make for fewer actual or potential market participants thereby making competition less effective than would be the case if the vertical arrangements were proscribed. Thus, when a "dominant" firm acquires ownership of retail outlets (as in the *Brown Shoe* case, or as in the recent action against Hart, Schaffner and Marx) or, similarly, when such a firm makes a long-term exclusive dealing contract with its outlets (the *Anchor Serum* and *Dictograph* cases provide examples) an "exclusionary tactics" theory is applied. The theory seems to be that "equally or better qualified" competitors are "arbitrarily" prevented from access to the "better outlets" thus maintaining the market position of the seller who integrates by merger or contract; or in its more extreme version, that vertical integration is a means of leveraging the integrating firm into new or greater monopoly.

"The theory of exclusionary tactics underlying the law" as Professor Bork and I have elsewhere stressed, "appears to be that firm X which already has ten percent of the market can sign up more than ten percent of the retailers perhaps twenty percent and by thus 'foreclosing' rivals from retail outlets obtain a larger share of the market. But one must then ask why so many retailers are willing to limit themselves to selling X's product. Why do not ninety percent of them turn to X's rivals? Because X has greater market acceptance? But then X's share of the market would grow for that reason and the requirements contract would have nothing to do with it. Because X offers them some extra inducement? But that sounds like competition. It is equivalent to a price cut and surely X's competitors can be relied upon to meet competition.

"The theory of exclusionary practices, here exemplified in the use of requirements contracts, is in need of one or two additional assumptions to be theoretically plausible. One is the assumption that there are practices by which a competitor can impose greater costs upon his rivals than upon himself. That would mean that X could somehow make it more expensive for his rivals to sign retailers to requirements contracts than it is for X to do so. It would be as though X could offer a retailer a one dollar price reduction and it would cost any rival two dollars to match the offer . . ."

"The other assumption upon which the theory of exclusionary practices might rest is that there are imperfections in or difficulties of access to the capital market that enable X to offer a one dollar inducement (it has a bankroll) and prevent its rivals from responding (they have no bankroll and, though the offering of the inducement is a responsible business tactic, for some reason they cannot borrow the money). But it is yet to be demonstrated that imperfections of this type exist in the capital market."

The exclusionary practices theory—foreclosure—has been applied with varying but increasing vigor in a wide variety of contexts under Sections 3 and 7 of the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act, the Millard Tydings and McGuire Acts, as well as under the Sherman Act. The forms of vertical integrations embraced include, in addition to merging with suppliers or outlets, exclusive dealing contracts, requirement contracts, territorial allocations, franchise arrangements, non-collusive resale price maintenance, discriminatory pricing contracts, tie-in sales, and full-line-forcing contracts among others.

The defects in the foreclosure theory are equally applicable to all the forms in which it is manifested, and not met in the cases in which it is applied. The Antitrust Division, the Federal Trade Commission and the Courts have not faced up to demonstrating how any of these forms of vertical business relationships can impose higher costs upon rivals.

I do not state that there *can* be no vertical arrangement which will be injurious to competition, nor that all practices currently judged exclusionary should be *per se* lawful.

I do urge strongly, however, that standards of assessments be realigned with the basic goal of antitrust—providing society with the maximum output that can be achieved with the resources at its command. Competition serves this end. Protecting competitors from more efficient rivals (aggressive or not) is not protecting competition. Both the prosecuting agencies and the courts increasingly treat vertical contracts either as conclusively illegal or so presumptively illegal that relevant and appropriate aspects of efficiency are ignored even when occasionally such economic evidence is presented or admitted.

Specifically it is recommended that no vertical arrangement be treated as *per se* illegal. *Presumptively legal* would be a far better rule. And in applying the essentially implausible "incipient monopoly" hypothesis contained in the Clayton and Robinson-Patman Acts (and increasingly in the Sherman Act by judicial adoption) by which certain business practices, including a variety of vertical arrangements, are to be illegal where their effect *may be substantially to lessen competition or tend to create a monopoly in any line of commerce*, it is recommended that both prosecution agencies and courts apply reasoned explanation of how this result is supposed to be achieved. If any such practice *may* have the tendency which the specific language of these statutes calls for, then it should be prerequisite to finding illegality that it be explained how and why the activities complained of are *more* rather than *less* likely to restrict rather than to expand the output of the goods and services involved.

WORKING PAPER FOR THE TASK FORCE ON PRODUCTIVITY AND COMPETITION: ADVERTISING AND PRODUCT DIFFERENTIATION

(By Richard Posner)

"Product differentiation" is the phenomenon of purchasers' distinguishing among different sellers or brands of the same product. Some consumers prefer Bayer to other brands of aspirin; some construction companies prefer Euclid to other manufacturers of earth-moving equipment. Product differentiation, which manifests itself in consumer loyalty, is associated with product differences, trademarks, differential reputations of sellers for reliability, promptness, answerability, etc.—and with advertising. Of late, product differentiation of consumer goods has moved to the center stage of antitrust concern:

(1) The attack on franchising in the *Schwinn* case was premised in major part, especially at the Supreme Court level, on the argument that franchising contributes to product differentiation.

(2) A recent proposal by Donald Turner to limit the advertising expenditures of firms convicted of antitrust violations is bottomed on the idea that advertising contributes to market power.

(3) In the *Pabst* case and again in the Merger Guidelines the Justice Department declared that in a case involving an advertised product (like beer), members of the industry who do not sell in a local market will not be considered a part of that market. Even if transportation costs do not preclude their selling there, they would have to overcome the allegiance of the consumer to the established brands.

(4) The *Clorox* decision holds that a merger that enhances the ability of the resulting firm to advertise violates antitrust principles, on the theory that product differentiation serves to entrench the dominant firms in an oligopoly.

(5) The Supreme Court held in *Clorox* and the Department intimates in the Guidelines that economies of scale in advertising or promotion will never be accepted as a justification for an otherwise unlawful merger, although production economies just might.

These examples could be multiplied, but they will suffice to show the pervasive concern of the antitrust agencies with advertising and product differentiation.

Before analyzing the agencies' concern, a word about the role of product differentiation and advertising in a complex modern economy. No one objects, surely, when a seller improves his product or earns a reputation for reliability that distinguishes him from his rivals. These are important and salutary forms of competition, no less worthy than price competition among sellers of undifferentiated products. Concern creeps in only when it is suspected that product differentiation is created or entrenched by advertising. We shall discuss in a moment the criticisms of advertising; here let us just remind that advertising plays an indispensable social role. A modern economy requires the generation of a vast amount of information on the identity and location of sellers, on types of and changes in product and on prices and other terms of sale. It is not surprising, therefore—and certainly not to be deplored—that there is a vast amount of advertising: a practical alternative, not involving economic stagnation, is not immediately evident. Nor is it surprising or deplorable that there is a good deal of repetitiousness in advertising, for changes in the identity of buyers and sellers, the constant influx of new consumers, forgetfulness, and frequent changes in products, make it imperative that the advertiser repeat his message over and over again. Nor, finally, is it surprising, or in a democratic and egalitarian society deplorable, that advertising is frequently vulgar by the standards of intellectuals: intellectuals are a small minority of the consuming population, and it would be cultural tyranny were their tastes to dominate advertising directed at the mass buying public.

With this as background, let us consider the arguments of those who believe that advertising may be inimical to the objectives of the antitrust laws:

(1) Advertising, except so much as is necessary to provide the consumer with "essential" information, is said to waste resources; anything that may lead to an increase in advertising beyond some minor useful level is, therefore, undesirable. This assumes, however, that we can distinguish "information" from "persuasive" advertising, and draw a line above which advertising contributes less to the consumer's ability to make rapid and satisfactory choices than it costs to advertise. And it also assumes that consumers are so foolish as to be willing to pay more for advertising (in a higher price for advertised brands) than its value to them in helping them make choices. Both assumptions are highly dubious on their face.

(2) Advertising is said to distort consumer choice, to make the consumer buy many things he doesn't really want. This "brainwashing" theory would be more plausible if there were a monopoly on advertising. In fact, advertisers compete for the consumer's patronage. One would expect the best products to win out in competition among advertisers, just as the market in ideas, a market also characterized by inflated claims, is assumed to lead to the adoption of the best ideas. Why individuals can be trusted to make intelligent political choices, but not intelligent product choices, is not explained.

(3) Advertising is said to be an important factor in the diminished rivalry that is thought to characterize many oligopolistic markets. The reasoning is that advertising creates brand loyalties that rival sellers find very difficult to erode and that this is a source of formidable barriers to new entry into concentrated markets. Thus, the argument runs, if it costs Procter & Gamble, Colgate-Palmolive, and Lever Brothers 2 cents to sell a bar of soap, because they got there first, it would cost a new entrant (say) 2.2 cents. The established firms, therefore, can price up to 2.19 cents (if they collude, tacitly or expressly) without attracting new entry, and thereby realize a monopoly profit of .19 cents.

Apart from the question whether collusion by oligopolists is as routinely commonplace as the argument assumes, no proof has yet been offered that it is easier for the first advertiser to win a consumer's patronage than it is for a second advertiser to shift it to him. The fact that the soap companies are constantly bringing out new brands suggests a taste for novelty on the part of the consumer that does not square with the theory of the first advertiser's advantage. To be sure, advertising has cumulative effects and that will give an established firm an advantage over a newcomer. But how is that different from the advantage an established firm has by virtue of an experienced organization, customer contacts, a plant that has been paid for, etc.? Moreover, a new entrant will often have access to a ready fund of accumulated consumer goodwill: by distributing through and under the trademarks of one of the established retail chains such as Sears Roebuck.

The theory that advertising creates barriers to entry is said to be confirmed by, but receives at most partial support from, statistical studies showing a correlation between the amount of money an industry spends on advertising and the industry's profit rate. The studies are far from conclusive, in part because following normal accounting practice they treat advertising expenditures as current expenses of the year in which incurred, rather than as a capital investment whose effects persist into subsequent years. The rate of return in industries that advertise heavily tends, in consequence, to be overstated.

(4) Finally, it argued that oligopolists devote excessive resources to advertising as an alternative mode of rivalry to price cutting, a tactic they are said to eschew because they know it will lead to lower prices and profits for all sellers in the market. However, if oligopolists spend more on advertising or otherwise differentiating their brands than the consumer deems warranted, attractive opportunities for lower-priced off-brand or distributor-brand substitutes will be created. Moreover, if oligopolists were able tacitly to collude to avoid price competition, would they not also collude to limit selling expenses that would equally erode their monopoly profits? Since advertising is public, an agreement limiting it to a specified percentage of each firm's sales would be easy to enforce.

My point is that on the basis of present knowledge advertising seems essentially symmetrical with other competitive business tactics such as raising quality, reducing production costs, and cutting price. It is difficult to resist the suspicion that the hostility to advertising derives more from concern with the level of public taste or culture than from concern with competition and efficiency.

ADDRESS BY HON. JOHN N. MITCHELL, ATTORNEY GENERAL OF THE UNITED STATES

(Delivered before the Georgia Bar Association, Savannah, Ga., June 6, 1969)

INTRODUCTION

I would like to thank Mr. Jones and the members of the Georgia State Bar Association for your kind invitation to attend your annual meeting here in Savannah.

The topic to which I will address myself this morning is the present and future application of the federal antitrust laws; particularly this Administration's policy toward current corporate merger trends.

It is now almost 80 years since the passage of Sherman Act. It was our federal government's first major legislative program designed to combat the undue concentration of industrial and financial power.

The Sherman antitrust act reflects a fundamental national commitment that the freedom and viability of an open marketplace is the most efficient and most reliable guarantor of economic prosperity.

Its simple prohibition of "any contract, combination or conspiracy in restraint of trade" remains our guide.

Under our federal antitrust policies in the last 80 years, our gross national product has increased to $800 billion. Our national income, in terms of current prices, have grown 12 times. Our economy is vigorous. Our businessmen are showing record profits. Our average family yearly income has increased from $3031 to over $7500 in the last two decades.

Thus, the evidence strongly supports our belief that the antitrust laws have served us well, perhaps more successfully than the 1890 Congress could have envisioned.

We have constructed a complex economic structure which successfully reflects adherence to the political and social principles of our free society.

We have not succumbed to the cartel theories of Europe. Neither have we found it necessary to impose government regulation on more than one-eighth of our economy.

But I believe that the future vitality of our free economy may be in danger because of the increasing threat of economic concentration by corporate mergers.

CONCENTRATION TRENDS

While the dimensions of the current merger movement have received widespread publicity, permit me to refresh your memory.

The number of corporate mergers has more than doubled in the last two years, reaching a total of over 4,000 in 1968. More importantly, these mergers have involved an increasing number of large firms.

Acquisitions of firms with total assets of over $10 million rose from 100 in 1966 to nearly 200 in 1968. The value of the assets of these acquired firms rose from $4 billion in 1966 to over $12 billion in 1968. Based on first quarter prediction for 1969, the value of acquired assets may reach $18 billion this year.

Many of the firms being acquired are of substantial size. At the beginning of 1968, there were about 1300 firms with assets of over $25 million. Had it not been for acquisitions during the past decade, these firms would now number well over 1900.

From 1948 to 1966, only five firms with assets of over $250 million were acquired. In 1967 alone, six such firms disappeared via acquisitions; and in 1968, the number rose to 12.

The nation's largest firms are playing an increasingly prominent role as acquiring, as well as acquired, corporations. Thus, in 1968, 74 of the 192 acquisitions of companies with assets over $10 million were made by companies among the nation's 200 largest firms.

In 1948, the nation's 200 largest industrial corporations controlled 48 percent of the manufacturing assets. Today, these firms control 58 percent, while the top 500 firms control 75 percent of these assets.

The danger that this super-concentration poses to our economic, political and social structure cannot be overestimated. Concentration of this magnitude is likely to eliminate existing and potential competition. It increases the possibility for reciprocity and other forms of unfair buyer-seller leverage. It creates nationwide marketing, managerial and financial structures whose enormous physical and psychological resources pose substantial barriers to smaller firms wishing to participate in a competitive market.

And, finally, super-concentration creates a "community of interest" which discourages competition among large firms and establishes a tone in the marketplace for more and more mergers.

This leaves us with the unacceptable probability that the nation's manufacturing and financial assets will continue to be concentrated in the hands of fewer and fewer people—the very evil that the Sherman Act, the Clayton Act, the Robinson-Patman Act, and the Celler-Kefauver Amendment were designed to combat.

OTHER DANGERS OF CONCENTRATION

You may ask why I, as Attorney General, offer a statement of the Administration's position on mergers here, in Savannah. One might suggest that this speech should be delivered to bankers and corporate managers in New York or Chicago or Los Angeles.

I am speaking here precisely because most of you represent economic interests—distant from the centers of financial and managerial power—which may be injured by the current merger trend.

This Administration believes that one of the great benefits of an open marketplace is the active participation and control by as many of our citizens as possible in their own economic well-being—not just a small segment of our population in certain cities.

An urban area should have a substantial influence over its local economy. Its businessmen should have an opportunity to be suppliers. Its lawyers should have an opportunity to act as counsel. Its unions should have the opportunity of negotiating in their own community, for their workers. And its consumers should have the opportunity to exercise local economic options in their choice of competing goods and services.

After all, the ultimate beneficiary of the antitrust laws is the average consumer. In smaller communities, where sources of supply tend to be limited, the consumer may soon find many of his purchasing alternatives diminished.

We do not want our middle-sized and smaller cities to be merely "branch store" communities; nor do we want our average consumers to be "second class" economic citizens.

THE HISTORY OF MERGERS

The history of the merger movement after World War II mainly involved horizontal mergers—mergers between direct competitors—and vertical mergers—those between firms which are in a direct line from raw materials to sales.

From 1948 to 1951, horizontal and vertical mergers amounted to 62 percent of all merger activity.

The Department of Justice increased its enforcement of Section 7 of the Clayton Act and the Celler-Kefauver Amendment. This amendment prohibits any acquisition whose "effect . . . may be substantially to lessen competition." Then they slowly declined: horizontal and vertical mergers represented 48 percent of all mergers from 1952 to 1959; 39 percent of all mergers from 1960 to 1963, 22 percent from 1964 to 1967 and only 9 percent in 1968.

Conversely, conglomerate mergers—including product extension mergers—sharply increased from 38.1 percent of all mergers from 1948 to 1951; to 91 percent of all mergers last year.

Furthermore, it is increasingly clear that the acquiring companies—in an effort to diversify—are often the leaders in one or more highly concentrated markets.

About one-third of all manufacturing is carried on in industries where four companies account for over 50 percent of production. In 14 percent of all manufacturing, 4 firms account for more than 75 percent of production.

These facts require us to move aggressively to counter-act this trend.

But, before I go into greater detail as to the dangers posed by the merger movement, let me point out what mergers do *not* do.

They do not necessarily increase efficiency and profits. Studies show that, in general, the relative profits of medium size businesses are as large as those of giant firms.

Corporate bigness does *not* necessarily stimulate the most imaginative scientific research. Recent studies show that the medium size firm tends to be more productive in its scientific research precisely because it is not in a dominant position.

It has also been argued that the large firm, because of its concentration of talent and other resources, is better able to market goods and services than the public wants. But this, too, is not proven by the facts.

For example, leading firms in two of our most highly concentrated industries—automobiles and razor blades—only offered the American consumer important new products in response to aggressive foreign competition.

Thus, our experience has been, that the American consumer is not always benefited by the very large corporation. Indeed the evidence indicates that bigness may frequently favor the status quo.

Of course, we know that, in some industries, the large corporation is a recognized necessity for effective competition due to the requirements of large capital investment and complex distribution mechanism.

THE SPECIFIC DANGERS OF CONGLOMERATE MERGERS

(1) One of the most easily understandable dangers posed by the conglomerate merger is reciprocity—when a diversified corporation favors with purchases firms which purchase from it.

We know reciprocity is widely practiced.

For example, a poll of 300 purchasing agents by Purchasing Magazine in 1961 revealed that reciprocity was a significant factor in the buyer-seller relations of 51 percent of the companies surveyed and of 78 percent of those companies with a sales volume of more than $50 million.

Reciprocal arrangements may take a number of forms. A diversified corporation may keep records of which firms purchase from it and in what amounts and then apportion its purchases among them.

In addition, there may be overt favoritism where a small corporation, hoping to receive favorable treatment from one of the conglomerate's subsidiaries, channels its purchases to the conglomerate corporation.

(2) A more complex but equally troublesome danger in the conglomerate merger movement is the elimination of potential competition.

It has always been assumed that in our free market a businessman should be encouraged to enter an industry where profits and other conditions make his competition attractive. This should be particularly encouraged in a highly concentrated industry because such industries average substantially higher profits than unconcentrated industries.

But super-concentration, coupled with conglomerate corporate structures and large financial capabilities, discourages the prudent businessman from entering such an industry.

This elimination of potential competition tends to maintain the inflated price structure in a concentrated industry.

For example, we have evidence that the only significant seller of natural gas in a regional market reduced its rates by about 25 percent when it became clear a new competitor was ready to enter that market.

The elimination of potential competition has other aspects. The large conglomerate, with its broad financial base, should have the capability to become a new and effective competitor in a spectrum of industries. And yet, instead of starting a new, or purchasing a small firm and converting it into a significant competitor, the tendency has been for the large conglomerate to purchase a lead-

ing corporation; and thus to add its weight to an already entrenched market situation.

(3) Large conglomerate mergers also pose substantial dangers to free competition by the expansion of nationwide marketing structures, capital resources and advertising budgets. Such a structure may offer a diversified firm a physical advantage over its competitors in terms of volume discounts on transportation and advertising.

For example, as the Supreme Court pointed out in the *Procter & Gamble* case, large advertisers receive substantial discounts from communications media. As a multi-product producer, the conglomerate may enjoy substantial advantages in both advertising and sales promotion. It may also purchase network programs on behalf of several products, enabling it to give each product network exposure at a fraction of the cost per product that a firm with only one product would incur.

Thus, the conglomerate corporation, if it acquires a dominant firm in another industry, must by necessity capitalize on its own success and imagination in detriment to the smaller, single line, firms in the industry.

(4) Another danger posed by the current merger trend is what is known as a "community of interest." But it is not a formal agreement but merely the recognition of common goals by large diversified corporations.

This situation derives as much from common sense as from economics. It posits that large diversified corporations may have little interest in competing with each other in concentrated markets. For, if the food subsidiary of corporation A aggressively competes with the food subsidiary of corporation B, then the electrical subsidiary of corporation B may start a price war with the electrical subsidiary of corporation A. Thus, it may be in both A's and B's interest to maintain the status quo and not to engage in the type of aggressive competition which we expect in a free marketplace.

This danger—the danger of a community of interest—becomes even more substantial when one realizes that the 200 largest manufacturing corporations are diversifying so quickly, that at the present rate, a significant number will soon be facing each other in several markets. And if, as we believe to be the case, they may control even more of the nation's manufacturing resources than the 58 percent last reported, we may soon be in a position where demands for more government regulation could be called for.

CONCLUSION

The matters I have outlined to you this morning form the basis for our serious concern over the present large corporation merger movement. Certainly, some of the issues are open to argument. If we all agreed on our premises and our facts there would be no disputes.

But, taken together, I think that the Celler-Kefauver amendment and its legislative history, the case law and current economic facts clearly support the Department of Justice's enforcement program.

As you know, we do not have to make an iron clad factual case. The Supreme Court has told us that: "The core question is whether a merger may substantially lessen competition, and (this) necessarily requires a prediction of the merger's impact on competition, present and future . . . (Section 7 of Clayton Act) can deal only with probabilities, not with certainties . . . and there is certainly no requirement that the anti-competitive power manifest itself in anti-competitive action before Section 7 can be called into play. If the enforcement of Section 7 turned on the existence of actual anti-competitive practices, the congressional policy of thwarting such practices in their incipiency would be frustrated."

Therefore, let me give you some of the probabilities:

—The Department of Justice may very well oppose any merger among the top 200 manufacturing firms or firms of comparable size in other industries.

—The Department of Justice will probably oppose any merger by one of the top 200 manufacturing firms of any leading producer in any concentrated industry.

—And, of course, the Department will continue to challenge mergers which may substantially lessen potential competition or develop a substantial potential for reciprocity.

Some may regard these three probabilities as something of an expansion of the published antimerger Guidelines of the Department.

But we believe that, under today's circumstances, these probabilities are clearly authorized by present antitrust law.

The results of this policy, I hope, will be to achieve the type of voluntary compliance we now have in most of the antitrust field. We only oppose about 20 out of every thousand mergers because the vast majority are not anticompetitive. Most lawyers understand our principles and persuade their clients to abide by them.

The benefits of this policy should be readily apparent. By halting the trend toward concentration, we remove what we believe is an inadvisable alternative of outright government regulation as is now applied to public utilities, communications and other highly concentrated industries. We will stimulate our most reliable economic regulator-free competition.

We will insure that consumers and businessmen everywhere will continue to participate fully in our prosperity. We will, despite expected criticism, be carrying out the mandate of this Administration to reflect the hopes and aspirations of all Americans for a free society.

[From the Washington (D.C.) Evening Star, June 6, 1969]

MITCHELL WARNS "TOP 200" ON MERGERS

(By Lyle Denniston)

Atty. Gen. John N. Mitchell today warned the nation's top 200 manufacturing companies not to try to merge with each other or with leading companies in any industry already dominated by only a few firms.

Mitchell, speaking in Savannah, Ga., said the Justice Department plans to move "aggressively" to stop the growing trend toward "super-concentration."

TIME TO ACT

He listed as "probabilities" that the government would oppose any merger between any two or more of the top 200 manufacturing firms or between any of them and large firms in non-manufacturing industries.

In addition, he said, if any one of the 200 manufacturers tries to absorb a leading company, of what ever size, in an industry that is already "concentrated," the government will probably challenge that too. Mitchell aimed his challenge at the big manufacturers because he said they now control more than 58 percent of all producing assets.

Unless their merging is stopped now, the attorney general said, the government will be less able to resist demands for direct government controls over their operations.

Mitchell clearly hoped that lawyers for business would take his advice, and counsel their clients not to risk being taken into court. He said the aim of his remarks and the aggressive policy he was declaring is to achieve "voluntary compliance."

Mitchell said flatly the future of the nations free economy "may be in danger because of the increasing threat of economic concentration by corporate mergers."

Mitchell predicted that companies which together own $18 billion in assets would be absorbed by other companies this year. That would compare with companies owning $12 billion in assets that were absorbed just last year.

MERGER ALTERNATE

He said that there would be 600 more companies with assets of more than $25 million each if it had not been for mergers during the past 10 years.

The attorney general frankly acknowledged to his Savannah audience that the Nixon administration is aiming for a decentralization of the American economy.

Directly challenging the management and financial power concentrated in New York, Chicago, and Los Angeles, Mitchell said: "We do not want our middle-sized and smaller cities to be merely 'branch store' communities."

He argued that average consumers should be able, in their own communities, "to exercize local economic options."

Mitchell defended his proposed policy of challenging big company mergers as fully within present law.

In the past, Justice Department officials have said they could move against giant mergers only after Congress enacted new antitrust legislation.

GENOCIDE SHOCKS THE CONSCIENCE OF MANKIND—NEED TO RATIFY GENOCIDE CONVENTION NOW

Mr. PROXMIRE. Mr. President, the historical origin of the Genocide Convention is a matter of record.

Genocide is unfortunately as old as the history of man. The history of our own civilization begins with the deliberate mass exterminations of Christians by the imperial government of Rome. But the worst atrocities of Nero against the Christians failed to reach the level of those perpetrated by Hitler against the Jews. No one can yet have forgotten the organized butchery of racial groups by the Nazis, our enemies in World War II, which has resulted in the extermination of some 6,000,000 Jews. Decent men everywhere were outraged and revolted by the barbaric and bestial conduct of the rulers of Germany at that time. These events so shocked the conscience of civilized men that after World War II it had come to be accepted that such conduct could no longer be tolerated in civilized society, and that it should be prohibited by the international community.

This was the psychological framework within which the United Nations began to function as a permanent international organization. The next step was quite logically the adoption of a resolution condemning genocide as a crime under international law by the General Assembly of the United Nations, at its first session in December 1946. The delegations of three countries—Cuba, India, and Panama—had proposed that the General Assembly consider the problem of the prevention and punishment of the crime of genocide. The matter was considered at length by the Legal Committee of the General Assembly, a committee composed of lawyers representing each of the more than 50 states members of the United Nations. That committee submitted a resolution which was adopted without a single dissenting vote and without change by the plenary session of the General Assembly on December 11, 1946.

This resolution declared that genocide, the "denial of the right of existence of entire human groups," "shocks the conscience of mankind, results in great losses to humanity in the form of cultural and other contributions represented by these human groups, and is contrary to moral law and to the spirit and aims of the United Nations." President Truman in a letter transmitting this Convention to the Senate of the United States June 16, 1949, emphasized "that America has long been a symbol of freedom and democratic progress to peoples less favored than we have been and that we must maintain their belief in us by our policies and our acts."

For 20 years this Convention has languished in the Senate Foreign Relations Committee. Unfortunately, there have been no encouraging signs that the committee will consider this Convention in the near future. By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy against that crime. By giving its advice and consent to ratification of the Genocide Convention, the Senate will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

CONCLUSION OF MORNING BUSINESS

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

SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. H.R. 11400, an act making supplemental appropriations for the fiscal year ending June 30, 1969, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will resume the consideration of the bill.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill cerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUGHES in the chair). Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, first I should like to present a broad picture of the second supplemental appropriation bill. The total bill as reported by the Senate committee provides $4,456,809,644. This amount is $673,596,878 over the House appropriation of $3,783,212,766. It is $357,495,690 under the budget estimate of $4,814,305,334, submitted to the Senate.

The budget estimate as considered by the Senate committee amounting to $4,814 million is $450,298,378 over the revised budget estimate submitted to the House of Representatives amounting to $4,364,006,956.

Among those emergency items submitted to the Senate committee and not considered by the House, amounting to $450 million, are $29 million in flood prevention and control, $160 million for the International Development Association; $180 million for veterans compensation, pensions, and medical care, and $45 million for Atomic Energy Commission fire damage.

I believe it will be of interest to the Senate to know that included in this bill is $1,686,000,000 for increased pay costs, of which $1,492,000,000 is in additional budget authority, the remaining portion to be derived from transfers from reserves and so on.

Included in the bill is $2,534,000,000 for the Department of Defense. This is $222,000,000 over the appropriation allowed by the House, and it is $337,000,000 under the budget estimate submitted to the Senate, which amounted to $2,871,000,000.

Mr. President, included in these DOD figures are added costs for personnel benefits for Army and Air National Guard technicians, who were granted Federal employee status; operational support for 1,800 sorties per month for B-52's; funds for military and civilian personnel pay increases that became effective last July 1; funds for additional retirement pay costs resulting from the cost-of-living increases that became effective on April 1, 1968, and February 1, 1969; extra funds for pay and allowances of 53,000 additional personnel deployed to Southeast Asia as a result of the Communist Tet offensive a year ago last January; funds for ammunition, aircraft fuel, hostile fire pay, and combat rations for the increase in deployed personnel.

It was necessary, following the seizure of the *Pueblo* and the Tet offensive in January of last year, to deploy an additional 53,000 personnel to Southeast Asia; so a good bit of the money for the Department of Defense included in this bill is to defray those unanticipated expenses.

Also included are moneys to fund the increase of 43,188 in the average strength of the Armed Forces to the current level of 3,471,095 men.

The total estimates for Southeast Asia operations amounted to $1,496 million. The Senate committee has allowed $1,272 million in direct appropriations and $8,910,000 in transfers from reserves and so on, making a total of $1,280,910,000 for Southeast Asia operations. Included in this amount is $420 million for ammunition and $308 million for the modernization of the Armed Forces of South Vietnam; $298 million of this modernization money will be for phase 1, and $9.7 million will be for phase 2.

It might be of interest to Senators to know that in addition to the $308 million in this bill for the modernization of South Vietnamese forces, there is $132 million in the regular fiscal year 1969 DOD appropriation bill, and $86 million will be made available through reprograming, making a total of $526 million for the modernization of the forces of South Vietnam in fiscal year 1969, of which $490 million would be for phase 1 and $36 million would be for phase 2; and there is $652 million in the regular 1970 appropriation request for the modernization of South Vietnam forces.

Mr. President, the bill is divided into five titles. Title I is confined to Southeast Asia operations. Title II deals with programs, and also with pay costs associated with those programs. Title III deals with pay costs entirely. Title IV involves an amendment dealing with expenditure limitations. Title V contains general provisions normal to appropriation bills and also includes a provision repealing section 201 of the Revenue and Expenditure Control Act of last year, 90-364.

Now I should like to proceed to a summary review of the various titles in the bill.

TITLE I

Title I relates solely to military operations in Southeast Asia. The committee recommends new budget authority, as I said a moment ago, in the sum of $1,272,000,000 and the transfer of $8,910,000 to provide a total of $1,280,910,000 for this purpose. The recommended appropriations and transfer authority represent an increase of $46,910,000 over the House allowance and a reduction of $215,990,000 in the revised estimates. As Senators will note, the line items in this title of the bill are explained in detail in the report, commencing at page 8, and I will not attempt to particularize in this statement. I do emphasize, however, that the funds herein provided do not in any way constitute a basis for either an escalation or a deescalation of combat operations in South Vietnam.

TITLE II

Title II encompasses program items for many of the departments of the Government, as well as increased pay costs associated with the particular line item. In this title, the committee recommends appropriations in the amount of $1,816,672,088, an increase of $450,757,776 over the House bill and a reduction of $35,998,850 in the budget estimates.

For chapter I, Department of Agriculture, a total of $13,118,000 is recommended, the full amount requested by the Department. Four million dollars of this sum was requested in a document transmitted to the Senate—and not considered by the House—for flood prevention under the Soil Conservation Service, to meet emergency conservation costs in California and Nevada, under section 216 of the Flood Control Act of 1950. These funds are urgently needed for the installation of emergency measures in California such as channel clearing and debris removal, repairing of dams and streambank stabilization, reseeding and other practices to prevent further erosion and landslides—made necessary by the damaging floods which occurred in January of this year. Also, reseeding and terracing work is required in Ash Canyon in Nevada.

Attention is called to the committee's action with respect to the emergency credit revolving fund, Farmers Home Administration—page 12 of the report. The committee has concurred in the language

inserted by the House authorizing the temporary transfer of $25 million of unobligated funds from the direct loan account, to be repaid from future repayments to the emergency credit revolving funds. Although no estimate was received to effect this transfer, the language included in the bill will accomplish a similar objective contained in Senate Joint Resolution 111, authorizing the Commodity Credit Corporation to advance up to $25 million to the revolving fund. The Department has stated that in view of the language in this present supplemental bill, separate legislation would not now be required.

For the Department of Defense items in this title, the committee recommends $227,950,000 in new budget authority, an increase of $1,900,000 over the House allowance, but $21,732,000 under the amount requested. These items are set forth on pages 13 to 15, and I believe are fully explained therein.

Chapter III contains items for the District of Columbia. In Federal funds, the committee recommends $29,101,000, which is an increase of $18,736,000 over the House allowance. The committee has concurred in the House allowance of $10,365,000 for the increased Federal payment, thus providing a total Federal payment of $89,365,000 of the $90 million authorized for fiscal year 1969. The committee has, in addition, considered and recommended the sum of $18,736,000 for the initial construction funding of the rapid rail transit system.

The recommendations providing for appropriations for the operation of the District government from District of Columbia funds are self-explanatory. I would call attention, however, to the funds provided to improve the city's correctional system—funds for overtime and unabsorbable losses in connection with disturbances at correctional institution; initiation of four centers for the work release program; continuation of in-service training for correctional officers; 7 new personnel at the District of Columbia jail and the Women's Detention Center; and improved health services, including funds for nine new medical/dental positions.

Under chapter IV, foreign operations, the major item is the $160 million recommended by the committee for the subscription to the International Development Association. Parenthetically, I wish to state that I voted against this appropriation in the subcommittee. This sum represents the first installment of the second replenishment of the resources of the International Development Association, authorized in Public Law 91–14, approved May 23, 1969. This legislation, which I voted against, authorizes United States participation in the resources of IDA to the extent of an additional $480 million in three equal installments of $160 million. The initial participation of the United States in this institution was $320,290,000, paid in five installments with an average of $64 million annually during fiscal years 1961–1965. The U.S. share in the first replenishment was $312 million, payable in three equal installments of $104 million during fiscal years 1966, 1967, and 1968.

For chapter V, Independent Offices and the Department of Housing and Urban Development, the committee recommends $7,168,000 for fiscal year 1968 and $488,116,000 for fiscal year 1969—for a total allowance of $495,284,000, which is $182,054,000 over the House-passed bill, but $6,386,000 under the supplemental requests. I will not take the time of Senators to refer to each of the items in this chapter—which is printed at page 20 of the report—but will call attention to the following:

For disaster relief, the committee recommends the $35 million requested, to provide relief for areas devastated by natural disasters occurring earlier in this calendar year.

For the Federal Trade Commission, the committee concurs in the House allowance of $600,000 for salaries and expenses of the Commission. Of this amount, $100,000 is provided for the employment of 23 new personnel to carry out the Commission's responsibilities under a new program to evaluate the advertising of certain drugs, along with appropriate language in the bill making the funds available until September 30, 1969.

The Veterans' Administration portion of this chapter contains several large items which I believe should be mentioned in this summary.

For compensation and pensions, $276,600,000 is recommended, which includes the House allowance of $179 million and an additional $97,600,000, which was a later budget submission to the Senate. These funds are required for the payment of benefits as a result of newly enacted legislation and anticipated caseload increases.

The committee recommends the full supplemental request of $89,200,000 for readjustment benefits. This $75 million increase over the House allowance was requested in a supplemental document submitted to the Senate and was not considered by the House of Representatives. These additional funds are required for the payment of educational benefits and are not administratively controllable. As indicated in the report, the average training load and the average unit cost are higher than anticipated.

For the appropriation, medical care, the committee recommends $53,800,000 in new budget authority and $15,167,800 in release of reserves. Of the new budget authority allowed, $7,611,000 covers mandatory wage board pay increases not considered by the House.

With respect to the Department of Housing and Urban Development, the committee has recommended the restoration of $10 million in contract authority, to provide the full amount of the $50 million requested, for the homeownership assistance program under section 235 of the Housing and Urban Development Act of 1968, as well as $10 million additional in contract authority over the House allowance for rental housing assistance under section 236 of the act.

Supplemental appropriations for the Department of the Interior are contained in chapter VI of title II and are itemized, beginning on page 24 of the committee report.

In this chapter, attention is called to the items under the Bureau of Indian Affairs. For education and welfare services, the committee recommends $2,781,000. The supplemental estimate, which was submitted to the Senate and was not, therefore, considered in the House, alerted the committee to the fact that the Bureau of Indian Affairs had overspent its appropriations for welfare and guidance services. While funds in the amount of $2,781,000 are herewith provided, the committee has indicated its disapproval of this practice and has directed that safeguards be established to prevent similar occurrences in the future.

Within the $2,700,000 recommended for resources management, the committee has allowed $150,000 to provide an additional 76 million board-feet of lumber to help relieve the timber shortage in the United States. This sum is made available until September 30, 1969. With the allowance, however, the committee has directed that the amount be so utilized that none of it contribute in any way to the harvest of logs or timber for export from the United States, with the further provision that none of any other appropriated funds may be substituted for this appropriation so as to permit timber harvest for export.

For the Bureau of Mines, $750,000 has been added for improvement of the Federal health and safety program for coal mines. These funds will accelerate the hiring and training of coal and metal mine inspectors, and will provide research on dust production and control. Also, $300,000 has been added for expenses in connection with preliminary work necessary for the establishment of an educational institute to provide professional training in health and safety.

For the Forest Service, the committee has provided $26,062,000 for forest protection and utilization, which is $654,000 below the supplemental estimate and the House allowance. Of this amount, $24,374,000 is recommended for forest land management, $1,564,000 for forest research, and $124,000 for State and private forestry cooperation. Included in this appropriation are funds for the additional sale preparation of 270 million board-feet of lumber from national forest lands as part of the program to relieve the current timber shortage in the United States. By inclusion of appropriate language in the bill, $460,000 is to remain available for this purpose until September 30, 1969.

Chapter VII contains supplemental funds for the Departments of Labor and Health, Education, and Welfare. I call attention to page 31 of the report and the item, Higher Educational Activities of the Office of Education. The committee recommendation of $19,920,000 is $8,759,000 over the House allowance and the amount requested. The committee has disallowed $7,241,000 authorized as payment to the Federal City College in the District of Columbia in lieu of a Federal land-grant available to colleges of agriculture and mechanic arts. This designation was bestowed upon the Federal City College in the authorizing legislation. In the opinion of the committee, the school is not a college of agriculture

and mechanic arts—particularly a college of agriculture—and it is the committee's view that further consideration should be given to the matter before the hasty appropriation of funds on the basis of such a qualification. The $3,920,000 approved is for interest subsidization grants to facilitate borrowing for construction from non-Federal sources by higher educational institutions. This sum would provide for interest payments for 1 year on loans totaling $145 million. The committee cautions against the possibility of exorbitant interest rates being charged the borrowing institution and subsequently passed on to the Government, which is not inconceivable since the enabling legislation authorizes the Secretary to pay interest in excess of 3 percent, with no upper limit. The Secretary of the Department and the Commissioner of Education are expected to take necessary steps to see that interest rates do not exceed prevailing general interest rates charged for comparable loans and risks. The committee has restored $16,000,000 for educational opportunity grants.

The committee has denied the $15 million requested for a new appropriation account, District of Columbia medical facilities, which the House allowed. Although these funds were requested in the 1970 budget, the House Committee on Appropriations included the item in this supplemental appropriation bill. The Senate committee is of the view that no special grants or preferential treatment should be given to any of the States or the District of Columbia since all States and the District are entitled to grants for hospital construction under the Hill-Burton Act. As a matter of interest to the Members, all medical facilities of the District of Columbia for the past 20 years have been financed by the Federal Government. The committee has added $7,500,000 for manpower development and training activities.

In chapter IX, the committee has included $25 million for flood control and coastal emergencies, under the Corps of Engineers. This estimate was submitted directly to the Senate and, hence, was not considered by the House. The funds are required to replace moneys reallocated from construction projects already under way, to meet emergency expenditures resulting from subtropical storms and heavy rains along the California coast early this year, as well as from the exceedingly heavy snowpack in the north central portion of the country which, together with the spring rains, produced unusually severe flooding. With the appropriation recommended, there will still be a deficit of at least $290,000 in the emergency fund, with no reserve to meet any requirements that may arise during the June flood season in the upper Missouri River Basin, the Columbia River Basin, or flood conditions in other localities.

Forty-five million dollars is recommended for the plant and capital equipment account of the Atomic Energy Commission. These funds are needed to restore or replace as quickly as possible the weapons production facility at Rocky Flats, Colo., which was extensively damaged by fire on May 11, 1969.

For chapter X, which includes appropriations for the Departments of Justice, Commerce, and the Judiciary, a total of $16,659,500 is recommended, an increase of $1,636,000 over the House allowance and a reduction fo $1,806,850 below the amount requested. There are a number of appropriation accounts in this chapter. I shall not take the time of the Senate to spell them out. Perhaps it will suffice to point out that in this chapter alone 376 new positions have been authorized—11 for the processing of Customs cases; 30 new employees, attorneys and clerks, for the Tax Division and 18 for the Criminal Division, to intensify the fight against organized crime; 30 for the Civil Rights Division for the enforcement of titles I, VIII, and IX of the Civil Rights Act of 1968; 116 for U.S. attorneys and marshals, 43 of which are attorneys, 30 are deputy marshals, and 43 are clerks; 83 for the Bureau of Narcotics and Dangerous Drugs; and 88 for the Judiciary accounts, of which 83 deputy clerks are needed to administer the new Random Jury Selection Act and five are needed to implement the survey required by the Federal Magistrate Act and the Random Jury Selection Act.

There is one item in chapter XI, Department of Transportation, which should be called to the Senate's attention. Under the Office of the Secretary, on page 42, the committee has recommended the sum of $2 million for costs associated with the moving of units of the Department of Transportation to the Nassif Building in southwest, Washington, D.C. The request of $4,634,000 was submitted to the Senate and, therefore, not considered by the House. The committee took into account the fact that only $2 million would be required to fund the move until the end of the calendar year, permitting the balance of the funding requirements to be examined by the regular subcommittee in its processing of the annual bill for fiscal year 1970. The $2 million, under the committee recommendation, would remain available until December 31, 1969, and would provide a net of $200,000 for space occupancy costs and $1,800,000 for other consolidation costs.

A total of $4,298,000 is recommended for this chapter of the bill, which is $2 million over the House allowance but a reduction of $2,934,000 under the budget estimates submitted to the Senate.

For chapter XII, dealing with the Departments of the Treasury and Post Office, a total of $2,695,000 is recommended, an increase of $410,000 over the House allowance and $60,000 under the budget requests. These items are explained beginning at page 44 of the report.

For claims and judgments, in chapter XIII, the committee recommends the full amount requested, $18,188,688. This is $1,307,876 over the House bill and is the result of later submissions to the Senate. These funds are provided for the mandatory payment of claims and judgments as determined by the departments and U.S. courts in accordance with the law.

Title III deals exclusively with increased pay costs which are mandatory under a variety of laws enacted by the Congress. The appropriations in this title are summarized on page 46 of the report and in the detailed tabulation commencing on page 78. Pay costs provided in this title amount to $1,368,137,556, which is an increase of $184,839,102 over the House bill but $96,596,840 under the amount requested. In addition, $59,741,000 is made available through release of Public Law 90–364 reserves and $87,916,000 by transfer from other appropriation categories.

I come now to title IV, which contains a provision inserted by the Senate committee as a substitute for that included in the House bill, and it relates to limitations on fiscal year 1970 outlays. This amendment is printed on page 70 of the bill.

Under the committee recommendation, the limitation on fiscal year 1970 outlays would be set at $187.9 billion, which is $5 billion less than President Nixon's request, which amounted, in his revised budget estimates, to $192.9 billion. However, the committee provision also contains language which would exempt from the limitation so-called outlays to the extent that these outlays in fiscal year 1970 exceed outlays in fiscal year 1969. The committee desires to make it completely clear that the limitation, therefor, because of the exemption, may be exceeded by $3.1 billion. It is estimated that $3.1 billion is the amount social security, interest on the public debt, veterans' pensions, public assistance grants, farm price supports, special support of Southeast Asia, and other unpredictable and uncontrollable items in 1970 exceed comparable figures for 1969. On the other hand, if these increases do not materialize, the limitation could not be exceeded otherwise. The increase of $3.1 billion in uncontrollable items in fiscal year 1970 over comparable items for fiscal year 1969 is a net figure.

While a ceiling of $187.9 billion is $5 billion less than the revised budget, the committee wishes to point out that the savings may or may not be this large because of these exemptions. However, even with these estimated increases for the exemptions, the ceiling would be $1.9 billion under the House ceiling and the revised budget, and at least this amount would be saved under the committee recommendation.

It is most difficult to estimate figures for the uncontrollable items. The January budget had certain figures which were revised by better information in the April 15 review. The committee has since been advised that the April 15 review figures are in line for another revision. Under the circumstances, the committee has recommended as a base for comparison for uncontrollable and unpredictable items the figures for fiscal year 1969, since these figures are now almost firm. The House provision which was stricken by the committee set a limitation on fiscal year 1970 outlays in the amount of the new President Nixon budget of $192.9 billion. This figure would increase or decrease, depending upon the action or inaction of the Congress on the appropriation bills and other proposals. Under the Senate committee's recommendation, a definite reduction of at least $1.9 billion has been recommended which will serve as an incentive to reduce the expenditure impact resulting from

action on appropriation bills by at least this amount.

In a period of rapidly rising prices with continuing inflationary pressures, it is essential that we act to contain the inflation and preserve the value of our currency.

The Congress will not have the opportunity to act on all of the appropriation bills and legislation that will affect 1970 expenditures before the new year starts this July 1. The lateness of appropriation and legislative action this year has been occasioned not only by the factors which have occurred in recent years, but also by the fact that the Congress had to await President Nixon's budget recommendations and they were not forthcoming until April 15.

Although the Senate has not yet completed action on a single 1970 appropriation bill, it is important for the economic health of the Nation that we provide a guideline that will influence us in the actions that we take on the individual bills as they come before us. It may be 3 or 4 more months before the bills are enacted. We must make our wishes known now so that whatever actions are required can be taken in time to restrain 1970 expenditures gradually with a minimum of dislocation and harm to important Federal programs and Federal services.

Title IV of the present bill, in both the House version and that reported by the committee, faces up to this responsibility. The committee version is more definite, more specific, and I believe more desirable than the provision approved by the House, for the following reasons:

First. Under the committee version, the Congress and the administration will know more precisely where they stand and actions can be taken accordingly; under the House bill, the action or inaction by the Congress will influence the ceiling limit, and there is no way of knowing for quite a number of months exactly what the impact will be on those programs over which we exercise annual control.

Second. The committee faces the realities forced upon us by legislation and events which have already taken place. For example, it makes no attempt to restrict expenditures for unpredictable increases or decreases in interest on the public debt; in veterans' pension and compensation; in social security benefits; in other retirement benefits, such as civil service, railroad retirement, and foreign service retirement. Further, it will similarly not force restrictive action, the consequences we cannot foretell in cases of other public services, because of the contingencies of the heating up of the military situation in Southeast Asia. These exceptions provided in section 401(a) (1) and (2) are beyond the control of the Executive in the coming year and many of them are beyond the control of the Congress. The House bill would have made it mandatory that the Congress act now or the President act later to find savings on the contingency that these programs and costs would exceed the revised budget estimate—which in any case can be no more than a guess for such volatile programs as farm price supports, medicaid, public assistance grants, and others.

Third. The committee bill removes any question that the President has the authority to take the actions required to bring expenditures within the limits it provides. At the same time, it makes clear that the President need not take any action if the Congress itself succeeds, in its individual appropriation actions, in reducing expenditures to the limits provided. The House bill, on the other hand, fails on both these counts.

Finally, the Senate bill is an ironclad guarantee of a reduction of at least $1.9 billion in spending for those programs subject to control by the Congress and the President this year, whereas the effect of the House bill is unknown and uncertain.

The spending limitation is similar in many respects to that included last year as section 202 of the Revenue and Expenditure Control Act of 1968. The main difference, aside from the specific figures involved, has to do with more complete certainty as to the programs that would be affected by the limitation. Under last year's provision, changes from the originally estimated expenditures were suggested to revise the limitation only for Southeast Asia support, interest on the debt, veterans' benefits and services, social security trust funds, public assistance grants only up to $560 million over the original budget estimate, and price support operations of the Commodity Credit Corporation only up to $907 million over the original budget estimate. In addition to these items, the committee bill would also allow the limitation to be revised—up or down—by changes in other programs which are similarly uncontrollable in the year ahead. For example, civil service retirement, railroad retirement, delivery of mail, subsidies under existing contracts for maritime wages, payments under low-rent housing contracts, and similar programs.

The committee provision also bases the calculation of these uncontrollable changes on a firmer foundation than last year's bill by using the difference between the 1970 expenditures and the actual 1969 outlays for the relatively uncontrollable programs. The 1969 figure will be known in a few weeks and provides a sound benchmark with no degree of uncertainty; last year's law, on the other hand, put the changes in terms of the difference between one guess and another guess—namely, the original budget estimate for a band of volatile programs which have to be reestimated and revised periodically throughout the year.

Briefly, the House bill, if all the administration's estimates turn out to be correct, does not guarantee any reduction in the budget recommended by President Nixon. It provides no firm guidance to the Congress in its actions on the budget requests. The committee bill, on the other hand, makes abundantly clear the fact that we must aim for lower spending, and it guarantees a reduction in those programs over which we and the administration can exercise control under existing law.

The committee bill, in addition, provides a firm base on which the administration can make plans as to how it would take the actions required to reduce spending with minimum harm to public services, and it can make those plans now. If congressional action makes administrative action unnecessary, those plans could be laid aside. The House bill, however, leaves the President with an unknown quantity. It makes sound administration with minimum harm to public services extremely difficult of attainment. The President's position is almost untenable. He cannot act affirmatively and positively until he knows the impact of final action on all his budget requests—which result will not be completed until the year is perhaps almost half gone.

With the large growth in various guaranteed Government benefits and services in the post-World War II era, a significant portion of the Federal budget has remained beyond annual congressional—or Executive—control through the appropriation process.

For example, I think it might be of interest to note in this regard, Mr. President, that the total appropriations requests for fiscal year 1970 amount to circa $210 billion, whereas the amount over which Congress can exercise control is only about $143 billion.

During this post World War II period, no administration, Republican or Democratic, has been able to estimate the flow of these uncontrollable payments with accuracy. This history indicates the magnitude and the burden of the job the President would have if the House bill were enacted. The committee bill removes the greatest part of this uncertainty.

These important distinctions, I believe, make the superiority of the Senate position beyond question.

I might add that, based on current estimates, the Federal outlays in the current year are expected to amount to $185.6 billion, which is $6.7 billion more than in 1968.

The 1970 estimate of $191 billion—the $187.9 billion mentioned in title IV plus the $3.1 billion change in uncontrollable costs—is $5.4 billion greater than the current 1969 estimate. This is a reduction in the growth of the budget that we are planning, but some growth to meet our real obligations, as previously mentioned must be allowed. It is essential to the continued health of the economy and the commitments we have made to our aged and veterans, our educational and health institutions.

The final section of the bill, title V, contains language inserted by the committee repealing section 201 of the Revenue and Expenditure Control Act of 1968—Public Law 90-364. In essence, this section had provided that only three out of four vacancies in the executive branch may be filled, until the June 30, 1966, level of employment had been reached for the entire Federal Government. Further, the provision required that Federal employment be maintained at that June 1966 level.

Subsequently, the Congress exempted certain agencies and programs from the application of this section.

Testimony before the committee on

the present bill convinced the committee that the provision, which was designed to promote economy and efficiency in Government, has had a reverse effect—it is extravagant in its impact and too rigid for the effective utilization of manpower.

In the case of the Social Security Administration, employee overtime has had to be substituted for regular time in order to meet the increasing workloads. The statement was made that it has cost roughly $6 million more in fiscal year 1969 to process the work done on overtime than if that work had been performed on a regular-time basis. Additionally, some important purchases have had to be postponed and certain activities deferred to meet the stringencies imposed by the employee limitation.

The experience of the Treasury Department has been similar. Testimony in the hearings indicated that the Bureau of Customs, because of insufficient manpower, has been unable to examine all mailed packages, which has resulted in an estimated loss of between $30 to $40 million in revenue. The Internal Revenue Services reports that there has been an estimated revenue loss in fiscal year 1969 of $500 million and the loss might be as high as $1 billion if the restrictions are not lifted for fiscal year 1970.

Other examples of the undesirable, and unanticipated, effects of these personnel restrictions are cited in the committee hearings, copies of which are available to you.

Of significant interest is the fact that the House of Representatives, on May 27, passed two appropriation bills for fiscal year 1970—the Department of Agriculture and the Departments of Treasury, Post Office, and Executive Office appropriation bills—which contained similar provisions, removing the agencies covered in these bills, for fiscal year 1970 only, from the personnel limitations imposed by section 201. These bills are now receiving the attention of the Senate subcommittees having jurisdiction.

It is the committee's opinion that the application of section 201 of Public Law 90–364 has resulted in the ineffective deployment of personnel, inefficient use of overtime, the interruption or curtailment of essential services, and costly losses in revenue expected in several areas of the Government's operations during the fiscal year.

Therefore, the committee recommends that section 201 be repealed outright, and permanently, rather than on a departmental or yearly basis, and has thus inserted language in the accompanying bill to accomplish this purpose.

Mr. President, this concludes my presentation on this supplemental appropriation bill. I shall be happy to try to respond to any questions Senators may have. I do not claim to have all the answers, but the Senator from South Dakota (Mr. MUNDT), who is the ranking minority member of the subcommittee, will be available to assist in answering questions. Other members of the subcommittee will also be available.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. Will the Senator withhold that request for a moment?

Mr. WILLIAMS of Delaware. Certainly.

Mr. BYRD of West Virginia. Mr. President, I express my appreciation to the members of the staff of the Committee on Appropriations for the exemplary support they have rendered to me and for the extremely fine cooperation that they have accorded me in the consideration of the pending bill.

They have been available at all times. We have met on Sunday afternoons. We have met on Saturdays. We have met in the evenings, and we have met in the mornings. They have been available at any time that would suit my convenience. I am very grateful to them. And particularly am I very grateful to the chief clerk, Mr. Tom Scott.

Without the knowledge and experience, the assistance and advice and counsel given to me by the staff, I would have found the job impossible of performance. I express my gratitude to them.

I also thank the Senator from South Dakota (Mr. MUNDT), the ranking minority member of the subcommittee, for the support he has given throughout the hearings and throughout the markup of the bill.

I also express appreciation to the Senator from North Dakota (Mr. YOUNG), the ranking minority member of the full committee and to the other minority and majority members of the subcommittee and the full committee for the help they have rendered in bringing the bill to the floor of the Senate.

I shall now be glad to yield to the Senator from Delaware, but first I ask the Senator if he would be willing for me to put in a quorum call so that the Senator from South Dakota may come to the Chamber.

Mr. WILLIAMS of Delaware. Surely.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent to have printed in the RECORD at this point pages 3 through 7 of the committee report, which is a summary tabulation giving a comparison between the budget estimates, House allowances, and the Senate committee recommendations for all types of authority contained in this bill.

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

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—SUMMARY

Chapter No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with— Budget estimate	House bill
	TITLE I					
	Military operations in Southeast Asia:					
	New budget (obligational) authority	$1,496,900,000	$1,234,000,000	$1,272,000,000	−$224,900,000	+$38,000,000
	By transfer			(8,910,000)	(+8,910,000)	(+8,910,000)
	TITLE II					
I	Agriculture:					
	New budget (obligational) authority	13,118,000	9,118,000	13,118,000		+4,000,000
II	Defense:					
	New budget (obligational) authority	249,682,000	226,050,000	227,950,000	−21,732,000	+1,900,000
	By transfer			(9,377,000)	(+9,377,000)	(+9,377,000)
III	District of Columbia:					
	Federal funds: New budget (obligational) authority	29,736,000	10,365,000	29,101,000	−635,000	+18,736,000
	District of Columbia funds:					
	New budget (obligational) authority	(44,607,000)	(25,353,000)	(44,089,000)	(−518,000)	(+18,736,000)
IV	Foreign operations:					
	New budget (obligational) authority	162,853,000	2,700,000	160,000,000	−2,853,000	+157,300,000
	By transfer	(38,000)	(35,000)	(2,735,000)	(+2,697,000)	(+2,700,000)
V	Independent offices—Housing and Urban Development:					
	New budget (obligational) authority:					
	1968	7,168,000	7,168,000	7,168,000		
	1969	494,502,000	306,062,000	488,116,000	−6,386,000	+182,054,000
	Total	501,670,000	313,230,000	495,284,000	−6,386,000	+182,054,000
	New annual contract authorizations, increase in limitations	(104,500,000)	(82,500,000)	(102,500,000)	(−2,000,000)	(+20,000,000)
	Release of Public Law 90–364 reserves	(15,248,000)	(15,248,000)	(15,248,000)		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—SUMMARY—Continued

Chapter No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with— Budget estimate	House bill
	TITLE II—Continued					
VI	Interior:					
	New budget (obligational) authority	$65,136,000	$54,227,000	$64,225,000	−$911,000	+$9,998,000
	Release of Public Law 90-384 reserves	(2,886,000)	(2,886,000)	(2,886,000)		
	By transfer	(1,628,000)	(1,628,000)	(1,628,000)		
	Liquidation cash	(19,000,000)	(19,000,000)	(19,000,000)		
VII	Labor—Health, Education, and Welfare:					
	New budget (obligational) authority	713,707,000	713,707,000	714,966,000	+1,259,000	+1,259,000
	Release of Public Law 90-364 reserves	(292,000)	(292,000)	(292,000)		
	(Limitation on salaries and expenses—trust funds)	(16,500,000)		(21,200,000)	(+4,700,000)	(+21,200,000)
	By transfer	(9,346,000)	(9,346,000)	(9,346,000)		
VIII	Legislative branch:					
	New budget (obligational) authority:					
	1968	126,900		126,900		+126,900
	1969		30,000	60,000	+60,000	+30,000
IX	Public works	70,000,000		70,000,000		+70,000,000
X	State, Justice, Commerce, and Judiciary:					
	New budget (obligational) authority:					
	1968	860,000	10,000	860,000		+850,000
	1969	17,606,350	15,013,500	15,799,500	−1,806,850	+786,000
	Total	18,466,350	15,023,500	16,659,500	−1,806,850	+1,636,000
	Release of Public Law 90-364 reserves	(1,701,000)	(1,701,000)	(1,701,000)		
	Limitation increase	(147,000)		(147,000)		(+147,000)
	By transfer	(220,000)	(220,000)	(220,000)		
XI	Transportation:					
	New budget (obligational) authority	7,232,000	2,298,000	4,298,000	−2,934,000	+2,000,000
	Release of Public Law 90-364 reserves	(28,000)	(28,000)	(28,000)		
XII	Treasury-Post Office:					
	New budget (obligational) authority	2,755,000	2,285,000	2,695,000	−60,000	+410,000
	Release of Public Law 90-364 reserves	(334,000)	(334,000)	(334,000)		
XIII	Claims and judgments	18,188,688	16,880,812	18,188,688		+1,307,876
	Total, title II:					
	New budget (obligational) authority:					
	1968	8,154,900	7,178,000	8,154,900		+976,900
	1969	1,844,516,038	1,358,736,312	1,808,517,188	−35,998,850	+449,780,876
	Total	1,852,670,938	1,365,914,312	1,816,672,088	−35,998,850	+450,757,776
	New annual contract authorizations, increase in limitations	(104,500,000)	(82,500,000)	(102,500,000)	(−2,000,000)	(+20,000,000)
	Release of Public Law 90-364 reserves	(20,489,000)	(20,489,000)	(20,489,000)		
	Limitation increases	(16,647,000)		(21,347,000)	(+4,700,000)	(+21,347,000)
	By transfer	(11,232,000)	(11,229,000)	(23,306,000)	(+12,074,000)	(+12,077,000)
	Liquidation cash	(19,000,000)	(19,000,000)	(19,000,000)		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—SUMMARY—Continued

Chapter No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with— Budget estimate	House bill
	Increased pay costs (included above):					
	Budget authority	($135,378,400)	($116,435,000)	($124,846,400)	(−$10,532,000)	(+$8,411,000)
	Release of reserves	(18,589,000)	(18,589,000)	(18,589,000)		
	By transfer	(1,386,000)	(1,383,000)	(3,983,000)	(+2,597,000)	(+2,600,000)
	Total	(155,353,400)	(136,407,400)	(147,418,400)	(−7,935,000)	(+11,011,000)
	TITLE III—INCREASED PAY COSTS					
	New budget (obligational) authority	1,464,734,396	1,183,293,454	1,368,137,556	−96,596,840	+184,839,102
	Release of Public Law 90-364 reserves	(59,510,000)	(62,277,000)	(59,741,000)	(+231,000)	(−2,536,000)
	By transfer	(85,873,000)	(81,676,000)	(87,916,000)	(+2,043,000)	(+6,240,000)
	Limitations on administrative and nonadministrative expenses	(24,223,000)	(22,223,000)	(22,223,000)	(−2,000,000)	
	TITLE V—GENERAL PROVISIONS					
	Increases in limitations and transfers from trust funds for personal services pursuant to sec. 502 of bill (H. Doc. 91-50)	(630,000)	(630,000)	(630,000)		
	RECAPITULATION					
	Grand total, titles I, II, III, and V:					
	New budget (obligational) authority:					
	1968	8,154,900	7,178,000	8,154,900		+976,900
	1969	4,806,150,434	3,776,034,766	4,448,654,774	−357,495,690	+672,619,978
	Total	4,814,305,334	3,783,212,766	4,456,809,644	−357,495,690	+673,596,878
	New annual contract authorizations, increase in limitations	(104,500,000)	(82,500,000)	(102,500,000)	(−2,000,000)	(+20,000,000)
	Release of Public Law 90-364 reserves	(79,999,000)	(82,766,000)	(80,230,000)	(+231,000)	(−2,536,000)
	By transfer	(97,105,000)	(92,905,000)	(120,132,000)	(+23,027,000)	(+27,227,000)
	Liquidation cash	(19,000,000)	(19,000,000)	(19,000,000)		
	Limitations on administrative and nonadministrative expenses	(40,870,000)	(22,223,000)	(43,570,000)	(+2,700,000)	(+21,347,000)
	Increases in limitations and transfers from trust funds or personal services pursuant to sec. 502 of bill	(630,000)	(630,000)	(630,000)		
	Increased pay costs (included above):					
	Budget authority	(1,600,112,796)	(1,299,733,854)	(1,492,983,956)	(−107,128,840)	(+193,250,102)
	Release of reserves	(78,099,000)	(80,866,000)	(78,330,000)	(+231,000)	(−2,536,000)
	By transfer	(87,259,000)	(83,059,000)	(91,899,000)	(+4,640,000)	(+8,840,000)
	Limitations on administrative and nonadministrative expenses	(24,223,000)	(22,223,000)	(22,223,000)	(−2,000,000)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—SUMMARY—Continued

Chapter No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with— Budget estimate	House bill
	RECAPITULATION—Continued					
	Grand total, titles I, II, III, and V:					
	Increased pay costs (included above)—Cont.					
	Increases in limitations and transfers from trust funds for personal services pursuant to sec. 502 of bill	($630,000)	($630,000)	($630,000)		
	Total	(1,790,323,796)	(1,486,511,854)	(1,686,065,956)	(−104,257,840)	(+199,554,102)

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. MUNDT. Mr. President, before the Senator yields the floor, as ranking Republican member of this subcommittee, I should like to congratulate the distinguished Senator from West Virginia for the workmanlike job he has done on this supplemental bill. It is a large bill, and it continued to grow larger as time elapsed, primarily because new items came in as a consequence of the applicable date of new legislation. Consequently, there is a reason why it is substantially larger than the House proposal. A number of items, as the Senator has set forth, were brought into the picture and were heard for the first time on the Senate side, because the time situation was such that they were not applicable or pertinent at the time the House hearings were held.

I know of no supplemental piece of legislation of this kind, in appropriations, which has had the painstaking, careful analysis that this one has received from the committee. We were able to effectuate a few economies—not as many as I would have liked, and not as many, I am sure, as the chairman would have liked—but I think we have placed before the Senate a measure which deserves to be supported by our colleagues and taken to the conference to work out the adjudications between the two bodies.

I would especially recommend against efforts to increase these appropriations, because of the tight-money situation in the country and because, wherever the committee deemed possible, we did make reductions.

In one or two instances, we did not vote items which were included in the House proposal, because the evidence was not presented to the Senate committee. In those areas, we anticipate going to conference with the House conferees with open minds; and because they have heard testimony in some instances which we did not hear, we will expect to meet with them and work out some compromise formula, if in fact we do not accede entirely to the House action.

We have arranged to clarify one or two items of this measure which will be handled by amendments during the course of the consideration of the bill, but I can recommend it to Senators as a determination which has been carefully arrived at, and has been arrived at by a group of Senators resolved to do what we could to protect the economy of the country.

I again congratulate the distinguished chairman of the subcommittee, who operates in that capacity now for the first time and who indicates clearly that he is going to be a very successful and useful chairman of the subcommittee handling supplemental and deficiency appropriations.

Mr. BYRD of West Virginia. I thank the distinguished Senator for his very generous remarks.

Mr. President, I now ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded as original text for the purpose of amendment, provided that no point of order shall be considered to have been waived by reason thereof.

Mr. WILLIAMS of Delaware. Mr. President, I hope that the Senator from West Virginia will withhold that request temporarily. There are some questions I wish to ask. Before we agree on the request perhaps we can get some answers to those questions.

Mr. BYRD of West Virginia. Very well. Mr. President, I withhold my request.

Mr. WILLIAMS of Delaware. I wish to ask the Senator some questions first in connection with title IV of the bill, relating to expenditure controls. I wish to get a clear understanding of what is being proposed here.

Under section 401 it states that expenditures and net lending—budget outlays—of the Federal Government during the fiscal year ending June 30, 1970, shall not exceed $187.9 billion.

On the surface that would look like a $5 billion reduction in what the House agreed upon. I wish to ask several questions about some of the provisos involved.

The section continues:

Provided, That such amount shall be increased or decreased by the aggregate amount by which the sum of expenditures and net lending in said fiscal year are greater than or lesser than the sum of expenditures and net lending in the fiscal year ending June 30, 1969, for—

(1) items designated "Open-ended programs and fixed costs" in the table appearing on page 16 of the budget of the United States for the fiscal year 1970 (House Document Numbered 91-15, part I, Ninety-first Congress).

Turning to page 16 of the budget, under "Open-ended programs and fixed costs," the first item we find is social security, medicare, and other social insurance trust funds. The budget estimate in 1969 is $39.6 billion for these items, according to page 16. The projected budget for 1970 is $42.4 billion, or an increase of $2.9 billion.

Let us take that one example. We will assume for the moment these items are correct. Under those circumstances does it mean that the $187.9 billion ceiling would be increased by the $2.9 billion?

Mr. BYRD of West Virginia. If I understand the Senator's question, the answer would be "yes," assuming the expenditure figures stated.

Mr. WILLIAMS of Delaware. That is my understanding. That one item would increase the amount of $187.9 billion by $2.9 billion.

My next question deals with the next item and relates to the interest on the national debt. In 1969 that figure is projected to $15.2 billion, while the 1970 projection is $16 billion. Again assuming those are the projected rates, that would be an increase of $800 million; and as I understand, under this committee formula that would automatically increase the expenditure ceiling again by another $800 million. Is that correct?

Mr. BYRD of West Virginia. The Senator is correct.

Mr. WILLIAMS of Delaware. While we are on that point, assume for the moment that the interest on the national debt were increased by another $500 million—and it looks very likely that as a result of the spiraling interest rates it will be—beyond what had been estimated in the 1970 budget; and assuming there were this extra $500 million, would that be added to the original figure also and automatically increase the ceiling by another $500 million?

Mr. BYRD of West Virginia. Yes.

Mr. WILLIAMS of Delaware. Is the answer "yes" on that item?

Mr. BYRD of West Virginia. Yes.

Mr. WILLIAMS of Delaware. Continuing further, on page 16 we have the item of civilian and military pay increase. There was no allocation for this item in 1969, but they estimate a cost of $2.8 billion for 1970. As I understand the situation, under this committee formula that would add another $2.8 billion to the ceiling. Is that correct?

Mr. BYRD of West Virginia. No, because the figure of $2.8 billion for this item has already been included in the uncontrollable category.

Mr. WILLIAMS of Delaware. I think the Senator from West Virginia will find the answer is "yes."

An application is pending before the committees for a further salary increase for postal employees and certain other employees, which I have seen estimated at various figures. However, the nearest extra cost figure I have seen agreed upon was around $500 million or $600 million if that increase were to go through. If that amount or any other amount as a result of legislation increasing salaries were added, would that automatically add to the ceiling to the extent it was agreed upon?

Mr. BYRD of West Virginia. Salary in-

creases are uncontrollable and any increases over the estimate would be added.

Mr. WILLIAMS of Delaware. The answer is "yes"?

Mr. BYRD of West Virginia. Yes.

Mr. WILLIAMS of Delaware. The next item on page 16 is "Veterans' pensions, compensation, and insurance." Under the 1969 estimate the estimated cost figure is $5.6 billion; under the 1970 estimate the estimate is $5.9 billion, or an increase of $200 million when the figures are rounded out. That would bring about another increase in the committee's ceiling of $200 million. Is that correct?

Mr. BYRD of West Virginia. It would be an increase in the uncontrollables.

Mr. WILLIAMS of Delaware. And the ceiling would be automatically increased by that much?

Mr. BYRD of West Virginia. Yes. The ceiling would be increased by any increase in uncontrollable items over the estimate.

Mr. WILLIAMS of Delaware. "Public assistance grants, including medicaid" shows an estimate for 1969 of $6.3 billion, an estimate for 1970 of $7.4 billion, or an increase of $1.1 billion. As I understand the formula, the $187.9 billion ceiling would again be increased automatically by that amount.

Mr. BYRD of West Virginia. The answer to this and the other questions is this: Any increase in uncontrollables is going to automatically raise the $187.9 billion ceiling.

Mr. WILLIAMS of Delaware. Yes, that is correct.

Mr. BYRD of West Virginia. Just as increases in uncontrollables would raise the $192.9 billion estimate submitted by the President.

Mr. WILLIAMS of Delaware. The Senator is correct. The point I make is, assuming there are no other increases beyond those referred to in the estimates, these figures I have just stated are already in the budget, and even if budget expenditures are held the same as in the 1970 budget these increases I am referring to and have referred to in previous questions would automatically raise the ceiling, or if perchance the requests are below those amounts, they would reduce the figures.

Mr. BYRD of West Virginia. If the increases in the uncontrollables in fiscal year 1970 over these in fiscal year 1969, a portion of the list of which the Senator read into the RECORD, turn out to be as estimated, they will amount to $3.1 billion.

Mr. WILLIAMS of Delaware. We will tabulate them in just a moment; however, those additions just referred to thus far raise the ceiling of the committee bill by around $7.5 billion, but this will be reduced by the proposed reduction of $3.4 billion in the cost of the conflict in Southeast Asia.

The point I make is that the committee amendment is not an effective ceiling on expenditures at all. It is only a pious hope.

Mr. BYRD of West Virginia. That being the case, $3.1 billion will be added to the $187.9 billion, and this would create a ceiling total of $191 billion from which to work.

Mr. WILLIAMS of Delaware. I shall get to the exact total in just a minute.

Now let us examine what the committee did on farm price supports, Commodity Credit Corporation—that item includes soil bank payments. Is that correct?

Mr. BYRD of West Virginia. Yes.

Mr. WILLIAMS of Delaware. All expenditures which may be made under the Commodity Credit Corporation, which includes food-for-peace programs, school lunch programs, and so forth—all of the expenditures of the Commodity Credit Corporations, as I understand it, are exempted from control under the committee amendment. The 1969 estimate is a $3.6 billion cost for the Commodity Credit Corporation, and in the budget, page 16, to which the bill refers, the 1970 estimate is $3.1 billion, or a reduction of $500 million. If that were true that would mean a reduction of $500 million in the overall ceiling. Is that correct?

Mr. BYRD of West Virginia. The Senator is reading from a budget printed in January.

Mr. WILLIAMS of Delaware. I am reading from the same budget to which the committee bill referred.

Mr. BYRD of West Virginia. I have the latest figures submitted by the Bureau of the Budget on May 20.

Mr. WILLIAMS of Delaware. The bill does not refer to figures of May 20 but specifically refers to the budget, page 16.

Mr. BYRD of West Virginia. My figures——

Mr. WILLIAMS of Delaware. That is what is confusing. These estimates of the committee bill are merely a guess, not a mandatory ceiling on expenditures. I shall not say the committee amendment is a farce, but from an effective standpoint, it has no value.

The Senator, in his remarks, keeps referring to some figures furnished to him at a subsequent date, but I am reading from the bill that I have before me. The bill refers to the "open-end program and fixed costs" in the table on page 16 of the Budget of the United States. It does not refer to any other figures. This is legislation we are acting upon—items which include social security; medicare and other social insurance, trust funds; interest on the national debt; civilian military pay increases, past, present, and future; veterans' pensions, compensation, and insurance; public assistance grants, including medicaid; farm price supports, which includes every type of operation under the Commodity Credit Corporation; postal operation, directly related to mail volume which means pretty much all of the postal deficit, whatever it may be; legislative and judiciary expenditures; and then, just in the event some have been missed, we find the word "other" included.

Mr. BYRD of West Virginia. Which amounts to $2.1 billion.

Mr. WILLIAMS of Delaware. Apparently it has gained $500 million since the budget was printed.

Mr. BYRD of West Virginia. I am giving the Senator the latest figures.

Mr. WILLIAMS of Delaware. Then it has gained $500 million in the past 3 months. But the point is, those are all exempted under this program. I am just wondering whether we really have a ceiling because, as I tabulate it, the items on page 16 of the budget add back $7.3 billion to the $187.9 billion. That raises it to $195 billion as the ceiling. However, in fairness, it should be pointed out that the $195.2 billion ceiling at that point, in paragraph 1, will be reduced some by paragraph 2 under the item designated as "Special Southeast Asia Support." In the table on page 27 of the budget, the estimate is $28.8 billion in 1969, but 1970 is projected at $25.4 billion, which is a reduction of $3.4 billion. This would reduce this earlier figure by $3.4 billion.

I am wondering, is the committee not misleading the American people when it talks about enacting a ceiling of $187.9 billion and then turns around and has all these items added. The committee may not be doing so intentionally, but it is giving the American people the wrong impression. Then there are other increases in other sections dealing with aid to schools in federally impacted areas under the act of September 23 and 30, 1950.

I have not been able to get that estimate, but I understand it is around $200 million. I am wondering whether the committee has not proposed a ceiling which is applicable to everything except Government expenditures.

I point out these inconsistencies only to show the complete fallacy of using the committee formula. It is not a realistic figure.

I want to ask the Senator this question: If, in the course of the appropriations this year or in the legislative process in the weeks ahead. Congress liberalizes any of these programs beyond, what was projected in the 1970 budget where they will cost $1 million or $1 billion, would such action not automatically increase the ceiling by that same amount? As I understand it Congress would not have to touch the ceiling but merely authorize the extra $1 billion on any of the programs and, it automatically raises the ceiling.

If that is not true would the Senator point out what prevents it?

Mr. BYRD of West Virginia. No; we or the President would have to make an offsetting cut in the controllable items for any appropriation increases we may make in controllable items elsewhere.

Mr. WILLIAMS of Delaware. That sounds nice; but what language in the committee amendment says that, because I cannot find it?

Mr. BYRD of West Virginia. The language in the bill, which specifically requires a reduction of $1.9 billion.

Mr. WILLIAMS of Delaware. Well, now, let me read it——

Mr. BYRD of West Virginia. Let me read it for the Senator——

Mr. WILLIAMS of Delaware. I read from the bill:

> Such reservations by the President shall be in amounts sufficient to insure reductions not less than $1.9 billion—

If we place a period right there, that would be all right, but it continues—

> in expenditures and net lending, the amounts recommended in the April review of the 1970 budget, for programs other than those designated in subparagraphs (1) (2), and (3) of subsection (a).

I repeat, "other than those designated in subparagraphs (1), (2), and (3)." That is the loophole.

Thus, what appears to be an ironclad ceiling, has left the barn door open. If this interpretation is wrong I think that we would need a modification of language stating that under no circumstances could it go beyond that ceiling of $187.9 billion; otherwise, it can go up to $195 billion under this formula—it really can go anywhere. I read again this exception:

Such reservations by the President shall be in amounts sufficient to insure reductions of not less than $1.9 billion in expenditures and net lending, below the amounts recommended in the April review of the 1970 budget, for programs other than those designated in subparagraphs (1), (2), and (3) of subsection (a).

What I am worried and concerned about is that if we roll back certain expenditures by $1.9 billion in the programs that are not included in those exemptions, Congress could increase spending by $10 billion in the exempted areas and end up with a $200 billion expenditure level. Is that not true?

Mr. BYRD of West Virginia. Of course. That was true in connection with the legislation that was passed last year.

Mr. WILLIAMS of Delaware. It was not true.

Mr. BYRD of West Virginia. Oh yes.

Mr. WILLIAMS of Delaware. I beg the Senator's pardon. Not under the amendment I sponsored last year.

Mr. BYRD of West Virginia. Maybe I misunderstand the Senator, but it would have the effect of raising the overall ceiling.

Mr. WILLIAMS of Delaware. It would, but last year the ceiling could be raised only by affirmative action of Congress. We had several efforts made on the floor to make exceptions for the TVA and various other agencies, including the Post Office Department, but Congress did that affirmatively. It was not automatic. I realize that any ceiling we agree on today can be changed by legislative action of Congress tomorrow. I think if we are going to have a ceiling it should be a solid ceiling. The ceiling as it passed the Senate last year did not cover the trust funds payments because the trust fund payments can only be changed by congressional action as we raise or lower the payments for social security or retirement. I agree on that. We spelled out that the veterans benefits, which were mandatory under existing law, would be exempted. The reason we did that was to make sure that veterans and those on social security would be paid. They were not affected by that or by this ceiling. The only other exemption made in the proposal offered by the former Senator from Florida, Mr. Smathers, and I was the interest on the national debt as far as domestic programs were concerned. The cost of the Vietnam war was also exempted since this is an uncontrollable item.

Later there were a series or actions which were taken by Congress, but those later exemptions were approved over the objections of some of us. But, nevertheless, if we have an ironclad ceiling let us have one, then both Congress and the country as a whole will know when we violate that ceiling.

What bothers me in the committee proposal is that we give the impression that we are cutting the budget by $5 billion below the House figure when, in reality, we are doing nothing of the kind.

Mr. BYRD of West Virginia. If the Senator will just allow me, I will attempt to clarify the matter for him.

Mr. WILLIAMS of Delaware. I am glad to.

Mr. BYRD of West Virginia. We do not say that we make a net reduction in expenditures of $5 billion. We merely take the President's revised estimate of $192.9 billion and lower that ceiling by $5 billion, to the figure of $187.9 billion. Then we say that that amount of $187.9 billion shall be increased or decreased by the aggregate amounts, and in simple language, this means the aggregate amounts of increases of uncontrollables in fiscal year 1970 over the amount for uncontrollables in fiscal year 1969. Based on the latest estimate, that figure is $3.1 billion. So we are saying that we are lowering the ceiling to $187.9 billion, and we then increase that by $3.1 billion, which is the amount by which the uncontrollables in fiscal year 1970 are estimated to exceed the amount spent for uncontrollables in fiscal year 1969.

The figure would then be 191 billion, which would constitute a reduction of $1.9 billion from the President's revised budget request of $192 billion.

Mr. WILLIAMS of Delaware. Perhaps I do not see it, but in section 401, where does it refer to the budget of $192.9 billion as submitted by the President? As I read the bill all it refers to is the $195.3 billion submitted by President Johnson. Maybe it is in here, but I do not see it. Where is it?

Mr. BYRD of West Virginia. If the Senator will allow me to complete my sentence——

Mr. WILLIAMS of Delaware. Yes.

Mr. BYRD of West Virginia. I think the language which is confusing the Senator is that which is on page 71 of the bill, which reads as follows:

Items designated "Open ended programs and fixed costs" in the table appearing on page 16 of the budget of the United States—

That language identifies the items. It does not identify the amounts. I think that is what is confusing the Senator.

It merely identifies the unpredictable item of Southeast Asia operations and the uncontrollable, fixed cost, or open-ended items such as social security, veterans' pensions and compensation, interest on the national debt, price support, and so forth.

Mr. WILLIAMS of Delaware. Assuming for the moment that the senator is correct, it still does not identify the amounts.

Mr. BYRD of West Virginia. No; I did not say that. I said it identifies the items, but not the amounts.

Mr. WILLIAMS of Delaware. When does it identify the amounts?

Mr. BYRD of West Virginia. The Senator has to go to the Bureau of the Budget to get the amount by which fiscal 1970 expenditures for uncontrollables is estimated to exceed the expenditures for uncontrollables in 1969.

Mr. WILLIAMS of Delaware. Oh, I see. This is subject to change every day.

Mr. BYRD of West Virginia. No, not at all. We take the $3.1 billion figure.

Mr. WILLIAMS of Delaware. Whatever the Director of the Budget says today. Tomorrow may be different.

Mr. BYRD of West Virginia. No, but I got the figures——

Mr. WILLIAMS of Delaware. Are they not subject to change at a later date? The Senator may have the figures, but we are acting on the committee bill.

Mr. BYRD of West Virginia. If the Senator will just let me finish my sentence——

Mr. WILLIAMS of Delaware. Of course.

Mr. BYRD of West Virginia. Of course, the figures for fiscal year 1969 cannot be absolutely definite at this point, because fiscal year 1969 has not yet run its course; but the very best up-to-date estimates that can be gotten indicate that the amount by which the uncontrollables will exceed in 1970 the amount spent in fiscal year 1969 is $3.1 billion. That, added to $187.9 billion, comes to $191 billion, which is $1.9 billion under the $192.9 billion in the President's revised estimates.

To tie that figure down and make sure that the Congress and/or the administration are obligated to make a reduction in controllable expenditures in 1970 by that much at least, we put the language in the bill to the effect that "Such reservations by the President shall be in amounts sufficient to insure reductions of not less than $1,900,000,000."

Mr. WILLIAMS of Delaware. The Senator will admit, will he not, that under any interpretation his answer is confusing? First, the bill refers to the budget on page 16, then the Senator refers to the budget submitted by President Nixon in April, now we are told it is the budget figures given to the Senator from West Virginia last week. What will it be tomorrow? The fact is there are still these exemptions for the open-ended programs under which it is possible that, no matter what is provided in the bill, the expenditures for fiscal 1970 could go over $200 billion.

Mr. BYRD of West Virginia. Of course, we do not foresee, nor can we foresee, what the expenditures are going to be for the uncontrollable items, but we do say we are going to have to make a $1.9 billion reduction in the controllables.

Mr. WILLIAMS of Delaware. But the point I am making is this. The Senator is talking about uncontrollable items; for example, Commodity Credit Corporation payments and farm price supports. Why are they uncontrollable? We have in committee a proposal, which I strongly support and which was cleared in the House, which limited agricultural payments to $20,000. Several hundred millions of dollars in savings are involved in that item. Congress can control this program, so that is a controllable item.

Conceivably, Congress can pass laws liberalizing support payments, but it is a controllable item. Congress can control it.

I will grant the Senator that interest on the national debt is not controllable in the Congress. We can pass all the debt ceilings we want to, but we have to pay the going price on the marketplace. To me, interest charges is an uncontrollable item.

Social security payments are paid

under a trust fund, so it is an item that can be controlled by Congress. I regret that we are trying to count it as if it were normal revenue, though, for the purpose of claiming a balanced budget.

Proceeding further, Congress authorizes expenditures for the legislative and judicial branches of the Government. Certainly they are all controllable items, and yet they are listed as uncontrollable by the committee bill.

I have discussed this matter with the Bureau of the Budget. For example, an increase in postage rates has been requested effective July 1 which would bring in $519 million next year. I have been told that to the extent that Congress does not act, that, too, will increase by $500 million the figure which the committee has in its version of a ceiling. That ceiling is automatically increased by inaction of Congress to enact the postage increases asked for. I think the Senator will agree with that.

Mr. BYRD of West Virginia. The Senator has mentioned several matters. We may be dealing in semantics. We have used the word "uncontrollable." I have used the word "uncontrollable" to include items that may be controllable but are unpredictable. For example, expenditures for Southeast Asia are estimated to be $25.2 billion. They are not exactly uncontrollable, but they are unpredictable, and they have been exempted as uncontrollable under this bill. We may be talking about open-ended items, such as public assistance grants. We may be talking about fixed costs such as interest on the national debt. We may be talking about unpredictable items such as Southeast Asia expenditures. But they have all been placed in the "exempt" category.

Mr. WILLIAMS of Delaware. The price support programs come under the exempt provision, and they can be controlled in the future if Congress wants to.

Mr. BYRD of West Virginia. Yes.

Mr. WILLIAMS of Delaware. They are controllable items. Likewise, expenditures for the legislative branch are controllable. Why are they exempted?

Mr. BYRD of West Virginia. It is true that that is controllable by the legislative branch, but the Senator does not contend, does he, that if the President were forced to make a reduction of $1.9 billion, or any portion of it, he would attempt to make the reduction in the legislative branch?

That is why we have exempted the legislative item here.

Mr. WILLIAMS of Delaware. It might have been a good thing if he had.

Mr. BYRD of West Virginia. Well, it might or might not have been a good thing, but he is not going to, and the Senator knows that. That is why we have exempted that item.

Mr. WILLIAMS of Delaware. Why the judiciary?

Mr. BYRD of West Virginia. I do not think the President would want to cut the judiciary. Does the Senator believe he would?

Mr. WILLIAMS of Delaware. Frankly, I am beginning to wonder if Congress is going to cut anything. That is what is bothering me.

I am one who feels we have got to make these reductions. I feel very strongly that we have also got to extend the surcharge. But, on the other hand, if we are going to extend the surcharge only to pour an additional $8 to $10 billion into the Treasury with no control over its spending, where it can roll right on out in increased spending, I think we have not only not accomplished anything but have defeated our purpose. That is the reason why I want a bona fide, realistic control over spending if we are going to enact one. Let us not fool the taxpayers on a meaningless statement.

I realize that, just as it happened last year, no matter how tight we may make the expenditure controls, Congress can by subsequent action release those controls. I recognize that, and perhaps that is what would be done again. It was done in several instances last year, as the Senator knows.

But at least every time Congress raised that ceiling last year, or released those controls on some agency, every Member of Congress knew about it. Our constituents back home knew about it. It was all open and aboveboard, because Congress had to take affirmative action to raise the ceiling.

As I understand the situation here, we can go back home and boast of the fact that in the Senate we have cut expenditures by $5 billion more than the House cut, but in reality it is not a reduction at all.

Mr. BYRD of West Virginia. No. By $1.9 billion.

Mr. WILLIAMS of Delaware. Well, why talk of $187.9 billion being $5 billion less than the House figure?

We cannot even be assured we will have cut $1.9 billion in total expenditures, because the bill has opened up so many loopholes. We exempted last year the interest on the national debt, as Congress cannot control it; by the same token, neither the President nor the Treasury Department could increase such expenditures because interest on money is a fixed charge in the money market. It is much different from taking a grant program or a program like the agricultural program. These can be controlled. I think we have entirely too many exemptions here if we want to have realistic control.

As far as I am concerned, I would rather fix the figure, whatever it is, be it $190 billion or $187 billion. I certainly could support that on the basis that if we cannot get $187 billion we will get $190 billion.

But whatever figure we take, let us take a figure in good faith, with an ironclad ceiling, so that it can be exceeded only by affirmative action and rollcall votes right here in Congress.

Mr. COOPER. Mr. President, will the Senator yield for a question?

Mr. BYRD of West Virginia. The junior Senator from Kentucky has been on his feet for quite some time. I yield to him first.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). The junior Senator from Kentucky is recognized.

Mr. COOK. Mr. President, I ask the Senator, as to incorporating in the bill the ceiling of $187.9 billion, does he not think it is rather odd to first put on a ceiling, and then, on pages 71 and 72, exempt as uncontrollable $124.2 billion of that $187.9 billion?

Mr. BYRD of West Virginia. How does the Senator arrive at his figure of $124 billion?

Mr. COOK. The committee exempts everything on page 16 of the original bill, whatever that would be.

Mr. BYRD of West Virginia. Exempts those items, but not the amounts.

Mr. COOK. If we exempt those items as being uncontrollable items, and those items on page 16 amount to $108.9 billion?

Mr. BYRD of West Virginia. The Senator is referring to a budget which was printed in January.

Mr. COOK. These are the amounts the bill refers to.

Mr. BYRD of West Virginia. No, the items are referred to, by way of identification, but not the amounts.

Mr. COOK. Well, then, let us put the amounts back to what they were in fiscal 1969, $90.2 billion, and, in the case of the Southeast Asia situation, $28.8 billion; so, in that case, the uncontrollable total would be, not $124.2 billion, but about $115 billion.

Mr. BYRD of West Virginia. No; if the Senator will use his pencil, I will give him the amounts.

Mr. COOK. All right. But what in fact we are saying, by writing this bill and putting in a limitation, is that we can control $63.7 billion of this $187.9 billion, but that we cannot control the increase or decrease of $124.2 billion, or whatever figure the Senator wishes to suggest; is that not true?

Mr. BYRD of West Virginia. We cannot control them unless we do as the Senator from Delaware says. Of course, we can control some of these items, but they are considered unpredictable or open-ended.

Last year we started out with a certain number of exemptions, which were added to as the session proceeded. In this instance, we are starting out at the beginning with exemptions, and we are specifically listing them, so that Congress and the President will both know the exact amount by which the controllable items are to be reduced, and what items can be so reduced.

Mr. COOK. But did the Senator not reply to the Senator from Delaware that if the figure in the uncontrollables were to go up as much as 5 percent, we would have to seek a reduction in controllables?

Mr. BYRD of West Virginia. No, I did not.

Mr. COOK. I thought that was exactly what the Senator said.

Mr. BYRD of West Virginia. I did not.

Mr. COOK. He said we would have to reduce the controllables.

Mr. BYRD of West Virginia. I said if Congress increased the controllables in one area, it would have to make offsetting deductions in the controllables in another. If I used the word "uncontrollable," I did not intend to.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. WILLIAMS of Delaware. I think the question I asked was, would it not be conceivable for Congress to reduce the

so-called controllable items by the $1.9 billion and at the same time increase the open-end items, the ones referred to as uncontrollable, by $10.9 billion if he wanted to, and have an additional $9 billion spending overall?

Mr. COOK. That is correct. I should also like to know from the Senator—I assume some of the gentlemen up here in the Press Gallery will be writing in newspapers that the President of the United States shall effect reductions of not less than $1.9 billion, and there may be people all over the country who will read that he has got to effect a reduction of $1.9 billion, except that he cannot work in the category that constitutes, in the language of this bill, an uncontrollable account, and the total of such accounts could reach as much as $124.2 billion out of $187.9 billion. Is that not correct?

Mr. BYRD of West Virginia. Of course. And that was correct last year.

Mr. COOK. And that the only reduction he could make, if he can make one, is within the controllables, and if the uncontrollables get out of hand, there would be no reduction at all?

Mr. BYRD of West Virginia. The able Senator is correct. That should be understood by anyone and everyone.

Mr. COOK. All right.

Mr. BYRD of West Virginia. I yield now to the senior Senator from Kentucky.

Mr. COOPER. Mr. President, as I recall, last year due to the amendment of the Senator from Delaware (Mr. WILLIAMS) and the former Senator from Florida, Mr. SMATHERS, there was a limitation of $6 billion fixed by Congress as a minimum reduction of expenditures.

I think what happened was that that $6 billion reduction in expenditures was maintained in the controllable expenditures, but there were uncontrollable expenditures which increased by about $3.8 billion, and as a result, we had a net decrease of about $2 billion.

Mr. BYRD of West Virginia. No, the increase of $6.2 billion in uncontrollables just about washed out the decrease of $6.7 billion in the controllables.

Mr. COOPER. Well, there was some surplus claimed; as I recall, about $2.1 billion.

My question is this: As I have listened to the discussion of the Senator from West Virginia, the Senator from Delaware, and my colleague, I have wondered, is it intended that there be an ironclad reduction in expenditures of at least $1.9 billion below the amount recommended to Congress in the views of President Nixon?

Mr. BYRD of West Virginia. Let me answer the Senator's question this way: The President's revised budget estimates amount to $192.9 billion.

Mr. COOPER. Yes.

Mr. BYRD of West Virginia. Of which, $106.7 billion is in the uncontrollable category. That leaves $86.2 billion in the controllable category.

We are simply saying here that the controllable $86.2 billion will have to be cut by $1.9 billion, bringing the controllable figure to $84.3 billion. It is that simple.

Mr. COOPER. Mr. President, I understand. However, as far as the controllable items, the Senator is insisting on an ironclad cut of $1.9 billion.

Mr. BYRD of West Virginia. The Senator is correct.

Mr. COOPER. As far as the uncontrollable items, it could wipe that out by $2 billion, $5 billion, or $10 billion.

Mr. BYRD of West Virginia. As was the case in the fiscal year 1969 situation.

Mr. COOPER. There is no provision in the bill that would require this action. Assuming that the noncontrollable items were increased by $5 billion or $10 billion, there is no provision here that would require the President or Congress to reduce the controllable items by an amount sufficient to match the increased expenditures on uncontrollable items.

Mr. BYRD of West Virginia. The Senator is correct.

Mr. WILLIAMS of Delaware. Mr. President, the whole argument basically gets down to the fact that last year the bill passed Congress and carried an exemption only as to interest on the national debt, which was really a fluctuating item.

Mr. BYRD of West Virginia. No.

Mr. WILLIAMS of Delaware. Just a moment.

Mr. BYRD of West Virginia. All right.

Mr. WILLIAMS of Delaware. Then it spelled out that the trust fund payments, the social security payments, were not affected because the only way they could be changed up or down would be by congressional action raising or lowering the monthly payments. That is recognized. They were not affected.

The same thing is true on veterans' benefits mandatory under the law. We know they are obligations. We spell out exemptions for these.

However, beyond the trust funds and the veterans' payments and the interest, that was it.

Mr. BYRD of West Virginia. Would the Senator indulge a correction at that point?

Mr. WILLIAMS of Delaware. Yes.

Mr. BYRD of West Virginia. The unpredictable expenditures for Southeast Asia were also exempted.

Mr. WILLIAMS of Delaware. I was referring to domestic programs. Naturally, we cannot estimate any cost due to an acceleration of the war. However, I was speaking of the domestic programs first. However, those were items that we exempted in the original proposal that was sponsored by former Senator Smathers of Florida and me. I grant the Senator that quite a few exemptions were approved later, although Congress did not make as many exemptions as are contained in the pending bill.

In all fairness, however, the TVA, which is not in the committee proposal, was exempted last year by the action of Congress. There may have been others.

I do not think there is anything new. This bill has far more exemptions now than Congress approved last year. This bill exempts the public assistance grants, including medicaid, farm price supports, and any prospective or future salary increases.

Mr. BYRD of West Virginia. Will the Senator indulge an interruption at that point?

Mr. WILLIAMS of Delaware. Surely.

Mr. BYRD of West Virginia. Last year, public assistance grants were included up to $560 million over the budget estimate, and also farm price supports under the Commodity Credit Corporation were exempted up to $907 million over the budget estimate.

Mr. WILLIAMS of Delaware. They were not exempted in the bill which we introduced in the Senate.

Mr. BYRD of West Virginia. They were added.

Mr. WILLIAMS of Delaware. I grant the Senator that they were added later but over my objection. However, when they were later exempted it required affirmative action, debate, and a vote by Congress. That is what I would like to have done here with respect to whatever expenditure controls we enact now. I would like to have us at least firm the matter up, and then if Congress wants to stand by its decision it will have a chance to resist any later effort to amend the ceiling.

However, as I interpret the matter, if we pass the pending bill this will be the last chance we will have to look at it. Everything is automatic even on some of the items which are controllable.

Mr. BYRD of West Virginia. That is one of the advantages of the committee version.

Mr. WILLIAMS of Delaware. The Senator is correct. There is no question that from the standpoint of those who want no limit on spending this bill has a tremendous advantage.

Mr. BYRD of West Virginia. No, from the standpoint of those who want to know where we are and what action will be called for as a result, it is an advantage to Members of the Congress and the administration.

Mr. WILLIAMS of Delaware. It is an advantage to those who want to increase spending. They would have the exemption already.

I think we would be making a terrible mistake if we were to approve the committee version. I will not say it is not worth the paper it is written on; however, as far as effective control on spending, in my opinion it is worthless. I would rather have no ceiling than for Congress to approve this farce.

Then the Senator could accept an amendment so as to tighten this down to the same restrictions we had last year when the bill was introduced in the Senate. If the Senate will accept that I will go along with changing the figure from $187.9 billion to $190 billion; that is, with the exemptions the same as introduced last year.

Mr. BYRD of West Virginia. Mr. President, the Senator begins with the item of unpredictable costs of Southeast Asia. That was in the Senator's bill last year. It is in the bill this year.

The next item is interest on the national debt. That was in the Senator's bill last year, and it is in the bill this year.

The next item is social security, including medicare. That item was in the Senator's bill last year, and it is in the pending bill.

The next item is veterans' pensions, medical care, and so forth. That item was in the Senator's bill last year, and it is in the pending bill.

The next item is farm price supports.

Mr. WILLIAMS of Delaware. That was not in my bill last year.

Mr. BYRD of West Virginia. Let me finish, please. The next item is farm price supports. That is in the pending bill, and it was in the Senator's bill after Congress had finished work on it, up to a point of $907 million over the budget estimate.

Mr. WILLIAMS of Delaware. The Senator talks about what Congress did before it got through. I will be honest with the Senator. There was not much left of the $6 billion cut when Congress got through; however, we made an effort. I am speaking of the bill when it went through the Senate and not of the exemptions that were approved later.

In my opinion, Congress made a big mistake when it made the later exemptions last year. The best evidence of that can be seen when one looks at the inflationary spiral which constitutes a serious danger in our country today.

I think if we are going to have an expenditure ceiling we should have one that means something. I would be willing to accept the same exemptions we had last year when we considered my original bill. I would even accept a figure of $190 billion if we can write that in and make it mandatory, with no loopholes or exemptions unless Congress and the Executive, working together, later change the figure.

Mr. BYRD of West Virginia. The Senator knows that if Congress made a mistake last year in exempting items, it will make the same mistake this year.

Mr. WILLIAMS of Delaware. Why should we double it?

Mr. BYRD of West Virginia. I do not know. The Senator can answer that question. However, he will agree that Congress will make the same exemptions this year.

Mr. WILLIAMS of Delaware. I will not agree with that, I hope that Congress realizes the dangerous results of its actions of last year. When we figure that today money is around 8 percent, and I notice in the paper today that they are predicting a triple A bond being released today or tomorrow with an 8-percent coupon rate and the Government of the United States paying around 7-percent interest. Certainly Congress is more alert to the dangers today; if not, then we had better get another Congress.

I do not think our Government can continue to neglect this inflationary spiral. I think we can do something, and I do not think that raising taxes is enough. We must cut spending.

Mr. BYRD of West Virginia. I agree.

Mr. WILLIAMS of Delaware. Then let us put an effective ceiling on expenditures.

Mr. BYRD of West Virginia. I agree.

Mr. WILLIAMS of Delaware. It is much easier to operate with a pocketful of money and no control over spending. It is much easier as an individual to go downtown with a pocketful of money. However, our Government has reached the point where it does not have the money to pay our bills without borrowing.

I hope that the Senator will go along with eliminating from the excepted list the open-end items on page 16.

Mr. BYRD of West Virginia. We had more than three items last year.

Mr. WILLIAMS of Delaware. The Southeast Asia items on page 27.

Mr. BYRD of West Virginia. Let me ask the Senator this: Would the Senator like to remove from the exemptions the item of $25.2 billion for expenditures for Southeast Asia?

Mr. WILLIAMS of Delaware. I do not think we have any choice; and that was exempted last year.

Mr. BYRD of West Virginia. Would the Senator like to remove that item from the exemptions?

Mr. WILLIAMS of Delaware. No. It was in last year when we introduced the bill.

Mr. BYRD of West Virginia. Would the Senator like to remove from the exemptions the $42.1 billion for social security and medicare?

Mr. WILLIAMS of Delaware. I have said that I will take the bill we had last year if the Senator will support it, and I will offer it as a substitute.

Mr. BYRD of West Virginia. Would the Senator like to remove from the exemptions the $16.4 billion for interest rates on the national debt?

Mr. WILLIAMS of Delaware. It is listed as $16 billion on page 16 of the budget.

Mr. BYRD of West Virginia. It is $16.4 billion.

Mr. WILLIAMS of Delaware. That was in the exemptions last year.

Mr. BYRD of West Virginia. So the Senator would like to remove it?

Mr. WILLIAMS of Delaware. No. What is this, shadow boxing?

Mr. BYRD of West Virginia. Would the Senator like to remove from the exemptions the $6.1 billion for veterans' pensions, veterans' compensation, and medical care?

Mr. WILLIAMS of Delaware. I have already said that that was in the bill last year.

Mr. BYRD of West Virginia. Would the Senator like to remove from the exemptions the $7.2 billion for public assistance grants, including medicaid?

Mr. WILLIAMS of Delaware. That was not in our bill, and they are controllable items.

Mr. BYRD of West Virginia. The Senator would like to exempt that?

Mr. WILLIAMS of Delaware. No. They can be controlled.

Mr. BYRD of West Virginia. Then, I suggest that the Senator offer an amendment, and let us have a vote on it.

Mr. WILLIAMS of Delaware. Do not worry, an amendment will be offered if that is what the Senator wants.

Mr. BYRD of West Virginia. I do not want it. That is what the Senator from Delaware wants.

Mr. WILLIAMS of Delaware. Why should we have an exemption for the postal operations? Why should we exempt Congress from some controls when we are asking other agencies to accept controls? Why should we ask all these executive departments to control spending but say that Congress is not going to be controlled? I would not exempt the judiciary. Then there is the item of $1.5 billion classified as "other."

Mr. BYRD of West Virginia. No, it is $2.1 billion.

Mr. WILLIAMS of Delaware. It has jumped $500 million in the last 3 months.

Mr. BYRD of West Virginia. It has jumped $0.6 billion.

Mr. WILLIAMS of Delaware. Perhaps it has jumped another hundred million dollars since we began debating.

I would strike out, that exemption. I just do not understand what it is. I suggest the absence of a quorum, and then we will start on the amendments.

I will withhold that. Does the Senator wish to speak first?

Mr. BYRD of West Virginia. I do, yes.

Mr. WILLIAMS of Delaware. I withhold that, temporarily.

Mr. BYRD of West Virginia. Mr. President, the committee has attempted to substitute an approach—which we think is workable, which will give the President of the United States some flexibility, and which will require a reduction of $1.9 billion in the controllable expenses—for an approach which was suggested by the House and which is considered by the committee to be unworkable, overly restrictive, and uncertain and indefinite in its results.

The provision enacted by the House would utilize the President's revised budget estimate of $192.9 billion as a ceiling, a ceiling which could be increased or decreased only by action or inaction of Congress. The President could do nothing to raise or lower that ceiling.

An example of action by Congress would be in the case of increasing the appropriation, let us say, for flood-control projects by $100 million over the budget estimate. That would automatically raise the ceiling from $192.9 billion to $193 billion.

An example of inaction by Congress which would have an impact upon that ceiling would be if Congress fails to enact legislation making the postal increases requested by the President. If Congress refuses to enact those postal increases, there would be an automatic increase in the ceiling of $192.9 billion by $621 million. That is an example of inaction by the Congress and its impact on the ceiling.

Congress would not determine the expenditure impact of its increases or decreases in appropriations. This would have to be done, under the House provision, by the Bureau of the Budget, which every month for the remainder of this calendar year would have to report to Congress the impact of its appropriations on expenditures. Then, during the last half of the fiscal year, the impact would be reported by the Bureau of the Budget once every quarter. But the provision that has been enacted by the House makes no exemptions whatsoever, no exceptions for increases in uncontrollable items, and it would require the President to make corresponding decreases in controllable items for any unanticipated increases in the uncontrollable items. It simply states a ceiling, makes no exemptions, and says this is it.

For example, if the war in South Vietnam were to heat up, let us say, next March, and the President had to request from Congress $2 billion in additional moneys for Southeast Asia, this would be a request by the President; it would not be action by Congress. If Congress allowed the $2 billion, this would not have

any effect on the ceiling, because the President would have requested it, and the ceiling can be adjusted only by congressional action or inaction. So the ceiling would remain the same, at $192.9 billion, even though the President requested from Congress a $2 billion additional appropriation for Southeast Asia. Now, if $1 billion of that $2 billion were to be expended in fiscal year 1970, this would mean the President would have to make a corresponding decrease of $1 billion in controllable items as late as next April or May under the example I have cited.

The committee felt that this is too restrictive. It would straitjacket the President, and it really seems unworkable. So the committee sought to come to the floor with a provision that would require a reduction in expenditures but which would take into account and exempt the unpredictable item of Southeast Asia, fixed items such as the interest rate, and open ended items such as public assistance, and so forth. It has, therefore, exempted those so-called uncontrollables, but it does require the President or Congress to make a reduction in the controllable items in an amount not less than $1.9 billion. So this assures a cut of at least $1.9 billion. If Congress makes the cut, then the President does not have to make a reduction. But $1.9 billion is a pretty sizable cut in expenditures.

In 1968, Congress made appropriations cuts amounting to $5,567 million, whereas the expenditure impact from those cuts was only $1,907 million. In 1969, Congress made appropriations cuts amounting to $13,188 million. Yet the total expenditure impact was only $3,803 million. So the expenditure impact was approximately only one-third, or less than one-third, of the total appropriations cuts made by Congress.

So when we require an expenditure cut of $1.9 billion, we are really talking about a $5.5 billion to a $6.5 billion cut in appropriations. And that isn't chicken-feed in anybody's language. The $1.9 billion cut, when added to the $4 billion reduction that the President has already made in the Johnson budget, makes a total reduction from the Johnson budget of approximately $5.9 billion, which is about the size of the $6 billion cut required by the Congress last year.

So, Mr. President, I hope that the Senator will go along with the committee version, because it does insure a cut in Federal expenditures; it does exempt those areas of the budget over which the President and Congress have virtually no control. At the same time, it puts the President on notice now as to the minimum reduction to be made.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. WILLIAMS of Delaware. Mr. President, the Senator from Maryland has a statement he wishes to make on another matter, and we can resume our debate later.

However, I wish to say to the Senator that I will propose amendments. I want to make sure that any ceiling enacted will be effective.

Mr. BYRD of West Virginia. The bill clearly states that there must be a reduction of $1.9 billion in these controllable items and that is as plain as one can make it. If that language becomes the law we will have to abide by it.

I yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from West Virginia for yielding.

Mr. President, I would like to point out that the inclusion of $18,736,000 in this bill for the District of Columbia subway system represents a real breakthrough. In my years in the other body, as well as here, I have been fighting this battle, and I would like to pay tribute to the distinguished Senator from West Virginia, because I think this item is an example of the constructive leadership that the Senator has exercised. I wish to thank him for it.

Approval of these funds will permit the Metropolitan Washington Transit Authority to start construction of the subway system, a system which is absolutely essential to meeting the transportation needs of this rapidly-growing area.

In line with the colloquy which has taken place between the Senator from West Virginia and the Senator from Delaware, longer postponements could greatly increase overall construction costs, which are now increasing as much as $250,000 per day. More seriously.

I am delighted that these funds have been included in this bill, because further delay could have disastrous results. First, longer postponements could greatly increase overall construction costs, which are now increasing as much as $250,000 per day. More seriously, longer delay could jeopardize the complicated and somewhat delicate structure of regional accords and financial commitments which have been so laboriously shaped by all the governments in the metropolitan area.

It is only realistic, however, to add a cautionary note. However much we may regret it, the fact is that the metro system cannot be considered or constructed without some regard for the progress of the area's freeway system. To be blunt, the subway has to date been held hostage for the freeway system, particularly for the Three Sisters Bridge. Therefore, the freeway controversy—incredibly tangled as it is—simply must be resolved in order to assure, first, that subway construction will continue on schedule, and second, that rational transportation planning for the entire metropolitan region can be advanced.

I was very pleased to see that the Secretary of Transportation has taken a personal interest in the problem and has indicated that he intends to press for a reasonable solution.

It would be most encouraging and timely to have the same types of assurances now from the District of Columbia government, including both the Mayor and the city council. I hope both Mayor Washington and Chairman Hahn will give us that kind of assurance.

What we need now from all parties, and I emphasize "all parties," is not stubbornness, but statesmanship. A problem of this magnitude and intricacy can be resolved only by the persistent exercising of the art of compromise. I think the distinguished Senator from West Virginia has given us an example of that.

To assure that the $18.7 million will actually be approved, I would urge all parties concerned to reconsider their individual positions, weigh carefully the possible price of further deadlock, and actively seek the areas of agreement on which a sensible transportation policy could be based.

If they have any doubt about the urgency of it they do not have to look at statistics; they merely have to try to get downtown in the early morning.

I trust that this course of seeking compromise will be productive. If necessary, I intend to make specific recommendations myself during the coming weeks.

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

The PRESIDING OFFICER (Mr. DOLE in the chair). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JAVITS. Mr. President, I shall not call up my amendment with relation to summer jobs for youth for a little while. However, I wish to comment on another matter regarding this bill.

I am particularly heartened to note that the Committee on Appropriations has seen fit to restore the $16 million cut earlier this year from the educational opportunity grant program authorized by title IV–A of the Higher Education Act.

Under this program grants of from $200 to $1,000 are awarded to qualified students of exceptional financial need who, without this assistance would be unable to attend college. The amount awarded must be matched by funds from other sources such as institutional aid, student loans, and earnings from work-study employment.

I hope that our colleagues in the other body on the conference committee will agree to the wisdom of this restoration of funds, which offers such great hope to promising young Americans who otherwise would not be able to obtain a higher education. At a time when tuition costs are rising at a rate of between 5 percent and 10 percent annually, when other costs are rising and when obtaining a guaranteed student loan is more difficult because of the tight money market and high interest rates, the importance of the EOG program and its maintenance become more apparent.

As to how this $16 million restoration will affect one State, let me cite the example of New York, where $1.23 million in new funds for initial EOG awards would likely be made available to the colleges in the State. Of this amount, $270,000 would be assigned to the 25 State-operated campuses of the State University of New York—SUNY—increasing its available initial year funds by 30 percent, to $1.2 million. Thus some 305 new eligible students could be enrolled at SUNY's colleges in September in addition to the 1,100 for whom funds are presently available. The families of most of these 1,450 young people have

gross incomes below $3,000—none exceed $6,000.

I should like to emphasize that none of these promising students will have to be sought out when this appropriation becomes a reality. They are now awaiting fulfillment of the pledge made them by SUNY in partnership with the Government based on the intent and authorization of the Higher Education Act, as amended last year. These Federal moneys are a vital addition to the $4 million being expended by the State for its own program, SEEK, which is similar to EOG in purpose.

In conclusion, I should like to commend the committee for this restoration of funds to EOG and assure its members that they have my support in conference to sustain the provision.

I feel an additional sense of strength because of that and urge upon the Congress the final enactment of this restoration which has been made so intelligently, I am happy to say to my friend, the Senator from West Virginia (Mr. BYRD), by the Appropriations Committee.

Thank you, Mr. President.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

IT IS URGENT THAT MIRV FLIGHT TESTS BE HALTED

Mr. CASE. Mr. President, I rise to discuss a matter that is fully as urgent to the best interests of the United States as the contents of the bill that is now before the Senate.

I speak of the need to open talks with the Soviet Union on a strategic arms limitation treaty, and of the threat to those talks that is implicit in the continued testing of multiple warheads by both nations.

The press today reports that the administration has proposed that the talks between the two countries start on July 31, some 6 weeks from now. If true, this is indeed good news to all of us who have deplored the months long delay in getting talks started.

But the press has also reported no change in the administration's intention to continue flight tests of multiple independently targetable reentry vehicles—or MIRV's—even after the talks open. And that is indeed bad news.

For the simple fact is that nothing is so certain to insure that the strategic arms race continues on an upward spiral as is the deployment of MIRV's.

Today, thanks to independent surveillance systems, both sides can count the other's offensive missiles and estimate with some assurance the damage they might do.

But once these missiles can be fitted with with multiple warheads, and especially MIRV's, such assurance will not be possible.

The urgency of the matter rests on the fact that the only real hope of avoiding the deployment of MIRV warheads by both sides is to ban the testing of MIRV's before they have been fully developed by either side. And that moment is rapidly approaching.

Indeed, when I first raised this question with Secretary Laird when he appeared before the Foreign Relations Committee almost 3 months ago, he said we would be deploying MIRV's "not in the too distant future."

The United States has already conducted quite a number of MIRV flight tests with Poseidon and Minuteman III missiles. The Soviet Union has also conducted flight tests of multiple warheads in the Pacific.

Whether they are testing true MIRV's or simpler MIRV—that is to say, multiple reentry vehicles without independent guidance—is a matter of some dispute in the intelligence community.

Only a week ago Friday, for example, when asked if the Soviets were flight testing MRV's, Secretary Rogers told members of the Foreign Relations Committee, "I have no reason to think they are."

Then last Monday the Times reported that "intelligence experts in the Pentagon" have concluded that the Soviets are testing true MIRV's. This obviously inspired report has also appeared in other publications.

But whether the Soviets are testing MIRV's or simply MRV's is beside the point. For it is undisputed that the United States is substantially ahead of the Soviets in MIRV technology. Nor can anyone argue that a mutual moratorium on flight tests would enable the Soviets to overcome our lead.

More importantly, I know of no one who is prepared to dispute the proposition that, once MIRVs are fully tested by either or both sides, there would be no way of checking on compliance with an agreement not to deploy MIRV's except by detailed, on-site inspections which the Soviet Union would never agree to and we would not be likely to agree to either.

The importance of immediate action to stop MIRV flight tests now—before they have been completed by either side—cannot, therefore, be overestimated. Upon taking this action now may well depend the possibility of any effective limitation of strategic armaments by agreement between our country and the Soviet Union.

Three weeks ago I called on President Nixon to order an immediate halt to MIRV flight tests for so long as the Soviets did the same.

I made that proposal in full confidence that such an initiative on our part would entail no risk to our security:

We are substantially ahead of the Soviets in MIRV technology.

We can monitor their flight tests—as they can monitor ours. If they resume tests, we will know.

We can maintain our readiness to resume testing, as we must assume the Soviets would also do.

We can resume tests immediately should they decide to do so. Obviously, this proposal is not unilateral disarmament in any sense.

The Senate will recall that just over 10 years ago—on October 31, 1958—President Eisenhower announced that the United States would conduct no further tests of nuclear weapons in the atmosphere for so long as the Soviets did likewise.

The Soviets observed that moratorium for 3 years, until September 1, 1961, when they resumed testing. The United States then conducted further tests of its own. But the moratorium, even though broken, helped to pave the way for the partial Test Ban Treaty of 1963, which the Senate ratified by a vote of 80 to 19.

If we are ever to conclude a strategic arms limitation treaty with the Soviet Union, the terms of that agreement must be such that the President, the Senate, and the American people can be confident of our ability to detect violations that might jeopardize our safety.

We can have no such confidence once the Soviets have fully tested MIRV warheads. Nor could they have any such confidence once we have reached that stage.

Indeed, there is good reason to believe that, somewhere short of full testing, both nations would have to conclude that it was too late to enter a moratorium on testing with sufficient assurance that the other side could not deploy.

Would the Soviets respond in kind to the initiative I am proposing, and thus bring about an effective if informal moratorium on MIRV testing?

No one can say. But what I can and do say with absolute conviction is this: If we allow this momentary opportunity to stay the mad momentum of nuclear armaments to slip by, the security that this Government is sworn to seek and maintain for our Nation will not grow, but will diminish.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. CASE. Mr. President, I yield to the distinguished Senator from Massachusetts.

Mr. BROOKE. Mr. President, I associate myself with all that has been said by the distinguished senior Senator from New Jersey. I commend him for taking this position on this most vital subject, a subject which is of such importance to the United States and to the people of the world.

Mr. President, as this discussion makes evident, there is a deep and growing concern in the Senate that the opportunity for political control of our future security is fading before the mounting pressures of a technology that presents special difficulties to the political leadership of this Nation and the Soviet Union. Both countries have declared their desire to enter negotiations aimed at freezing the level of strategic armaments on both sides. Both countries have made known their desire to avoid an endless competition in weapons development and procurement. Both countries have indicated an awareness that in a nuclear war there can be no victor, in any meaningful sense.

But these new perceptions, which ought to be the paramount factors in shaping the policies of the two superpowers, have not yet produced the kind of arms control arrangements on which either side can rely. In recent years we have had the good fortune to be able to rely upon new techniques of surveillance

to reduce the hazards of the arms race by keeping both nations informed as to the general strategic capacities of each other. This has permitted a measure of confidence in the estimates of force levels, estimates which in turn have been the basis for strategic planning and decisions. It has also permitted the two nations to begin contemplating more formal arms limitations which might be monitored with a fair degree of assurance that there was less chance of clandestine activities which could give one side a unique advantage, hence upsetting the strategic balance.

In this same period, owing largely to U.S. restraint in weapons deployment, the Soviet Union has pulled abreast of the United States in the numbers of strategic delivery vehicles. While there are variations in weapons characteristics and qualities, the condition into which the two powers have moved is one of rough strategic parity. Neither side could overwhelm the other; either side would receive a devastating retaliatory blow.

These, then, are the elements which mark the strategic balance in 1969: the Soviet Union and the United States have achieved a general strategic parity at a time when unprecedented means of surveillance have improved their capacity to monitor additions to each other's forces. These are the elements which have offered hope that it might be possible to devise workable arrangements to stabilize the balance at the present levels, hopefully in anticipation of later force reductions rather than an endless contest to raise the levels to ever higher ranges in the coming years. While no one who is knowledgeable in these matters expects to see massive and immediate steps toward disarmament, many informed persons have believed it might be possible to prevent the wasteful continuation and intensification of the arms race.

If these are the conditions of opportunity, they are greatly complicated by other factors which may make it exceedingly difficult to seize the opportunity. After much study, it has become clear to many Members of this body that the prospective deployment of MIRV technology is precisely such a factor.

The complexities of MIRV are many, and the reasons why it jeopardizes the prospects for arms control negotiations have been developed by a number of competent spokesmen. While no careful observer would imply that MIRV systems would make either the Soviets or the United States willing to contemplate nuclear war as a low-risk venture, the introduction of these forces would tend to increase the danger that, in a period of great tension such as the Cuban missile crisis, a pre-emptive strike might take place.

This danger stems from the fact that, with large numbers of accurate MIRVs, there is the theoretical capacity to destroy a very high percentage of the other side's land-based missile force. With a larger number of warheads confronting a relatively smaller number of targets, that is the other side's delivery vehicles, there is an insidious tendency to conclude that there may be an advantage in striking first. If that tendency matures, it will undermine the very foundations of deterrence which the United States has sought to bolster for more than a decade. The cornerstone of deterrence as a strategy is the so-called assured destruction capability, the capacity for the strategic forces to survive a first strike in sufficient numbers to deliver a devastating second strike.

That the United States is apprehensive about the threat to this cornerstone of our national strategy is evident in the rising concern over the continued deployment of the Soviet Union's large SS-9. Studies have shown that, if the SS-9 force continues to increase and if the Soviet Union perfects a MIRV system for that booster, the U.S. Minuteman sites will become increasingly vulnerable during the 1970s. If such a threat materializes it is clear that the United States will have to take countermeasures to insure its retaliatory capacity. Thus one can see the pressure that MIRV exerts directly on the arms race.

But this pressure is even more troublesome because of the vast uncertainties which MIRV creates for a possible arms limitation agreement. If MIRV technology enters the forces, it becomes impossible, without detailed and extensive inspection, to determine the precise number of warheads in each side's inventory. With today's means of observation and verification, it is possible without intrusive inspection to gage the number of delivery vehicles available to either nation. But a MIRVed missile looks no different from the outside than a single-warhead missile. Calculations of strategic force levels will immediately have to be revised to assume that any missile that can be MIRVed has been MIRVed. Compensating measures to protect each side's retaliatory forces will have to be based on this kind of bloated estimate. Thus the prospects for limiting the balance of terror to the rough dimensions it has now attained will decline sharply.

There is some hope, however, that restraint in the further testing of MIRV systems will buy time for the planned negotiations to succeed in warding off this destabilizing technology. That is the modest, limited goal of those of us who have been arguing for such restraint.

Both Senator CASE and I have been addressing this issue for many weeks now, and I believe we both are more convinced than ever that the United States and the Soviet Union have a strong, mutual interest in seeking to curb MIRV. If further flight tests on both sides can be deferred, it may yet be possible to work out adequate guarantees that such systems will not be deployed. As the United States has made clear in past proposals in the Geneva arms talks, this kind of limitation on offensive forces will also require an agreement on the limitation of defensive forces in both countries. These are issues which cannot be resolved except through the most intensive negotiations, but a helpful beginning can and should be made immediately by delaying the MIRV programs.

That is the message we seek to convey through this colloquy. Tomorrow a large number of Senators will join with us in cosponsoring a sense of the Senate resolution urging the President to propose to the Soviet Union a joint suspension of MIRV flight tests as an essential step toward preserving the chances of successful negotiation. It is my conviction that such a test moratorium can be an invaluable contribution to avoiding the dangerous and costly arms spiral that may now be in the offing. I urge those Senators who have not yet done so to join in this effort to lend the weight of opinion in this body to the deliberations on this vital subject now taking place in the executive branch.

Mr. President, I believe that the responsibility for controlling the arms race belongs not only to the executive branch of the Government but is also a joint responsibility that must be shared by the legislative branch.

So again I commend my distinguished colleague, the Senator from New Jersey, and again I implore my colleagues in the Senate to join in this colloquy and to join in the sense of the Senate resolution which I intend to offer. The resolution, in effect, merely calls upon the President of the United States to urge the Soviet Union to join with us in bringing about a moratorium on the operational testing of MIRV. If the Soviets resume testing, then the United States can resume testing.

I suggest that the testing that we have done to date is such that the United States cannot and will not lose by this move to call for a moratorium by the Soviet Union and the United States.

I thank the distinguished Senator from New Jersey.

Mr. CASE. Mr. President, I thank the Senator from Massachusetts. His has been one of the earliest voices to be raised in this matter.

I recall, for example, an extraordinarily fine speech he made in New York before the Newspaper Publishers Association in the latter part of April, and it was my privilege to have it printed in the RECORD a few days later. It was cool, intelligent, nonpassionate, and yet was deeply concerned and intelligently presented, as his remarks today have been.

I am happy to be associated with his resolution, and am honored to have him join in this colloquy.

Mr. President, at one time, I had planned to offer my proposal as an amendment to the Second Supplemental Appropriations Act, and thereby obtain an early expression of the sense of the Senate on this matter.

As many Senators know, I presented my proposal to the Appropriations Subcommittee on Deficiencies and Supplementals when it met to markup this bill on Friday, June 6.

I again presented the proposal to the full Appropriations Committee at its markup session last Wednesday, June 11.

It then became apparent that my colleagues on the committee did not wish to have my proposal considered as an amendment to this bill, and that if I offered it on the floor it would be subjected to a point of order.

Since my proposal concerns a matter of the highest urgency—indeed, a matter of survival—it is unthinkable that it than the merits. So I shall not offer it as an amendment to this bill, when it would be subject to objections other than those based on the merits, and a decision would

not be a true measure of the sentiment of this body on this most important matter.

Instead, I shall introduce a simple resolution to the same effect. It reads:

It is the sense of the Senate that, because of the great urgency of seeking verifiable agreements between the United States and the Union of Soviet Socialist Republics on the limitation of offensive and defensive strategic weapons, and because such agreements are imperiled by the development and prospective deployment of multiple warheads by both nations, the President should immediately suspend flight tests of multiple reentry vehicles for so long as the Soviet Union does the same.

The resolution I shall offer differs somewhat in wording from the one the Senator from Massachusetts (Mr. BROOKE) is offering and which I am joining with him in offering. In substance, however, our purpose is identical.

This morning I discussed the matter with the chairman of the Committee on Foreign Relations, the Senator from Arkansas (Mr. FULBRIGHT). He was agreeable to its consideration by the committee. I ask that my resolution, which I now offer, be referred to the Committee on Foreign Relations.

Mr. COOPER. Mr. President, the deep concern expressed by the Senator from New Jersey (Mr. CASE), the Senator from Massachusetts (Mr. BROOKE) and others about the implications of continued MIRV testing brings this country closer to the basic decision that must be made: Whether to go on with another round of the nuclear arms race or to seek ways to halt the inexorable escalation of nuclear systems.

Recent editorials in the Washington Post and the New York Times and the very forceful and eloquent presentations of Senators BROOKE and CASE have described the problem in detail. Because deployment of MIRV or ABM may foreclose any possibility of a nuclear arms limitation agreement, it is all the more imperative that the United States enter into negotiations as soon as possible. Further delay, I contend, would increase the danger to the ultimate security of the United States.

As Senators know, I have opposed for some time the deployment of the antiballistic-missile system. The chief reason I have done so is to see if it is possible to secure an agreement with the Soviet Union—either formal agreement or one in fact—which would halt the deployment of new systems and halt and control the nuclear arms race.

ABM and MIRV are closely related. They are part of the action and counteraction which is characteristic of the nuclear arms race. They are the most advanced weapons in the next generation of the nuclear arms race. But ABM and MIRV do not pose symmetrical problems. While the proposed ABM is a system whose technical defects and limitations have been amply illustrated by testimony over the past year, no such technical deficiencies seem evident in MIRV.

There are sound technical and scientific grounds for delaying deployment of ABM until further research and development has been carried out. Most of the components of the proposed Safeguard system are not yet developed to the stage where they are ready for deployment. Further, the theoretical capabilities of the proposed Safeguard system are so limited that deployment even if its components are fully developed and tested would be of marginal value to the security of the United States.

I understand that MIRV testing thus far has met expectations and the time is not far off when deployment of this deadly weapon will take place. MIRV would multiply the number of deliverable nuclear warheads in the world by a factor of 3 to 10. If there is security to be gained by having a vastly larger number of deliverable warheads in the U.S. nuclear armory, MIRV seems to offer this advantage. But, in my view, the history of the nuclear arms race shows that MIRV will only increase the overkill capacity of the United States and the U.S.S.R., as it will cause reciprocating action by either country in the development of advanced nuclear systems and weapons. The multiplication of nuclear weapons of increased sophistication will only increase the chances of nuclear war.

Senator CASE and Senator BROOKE have not proposed a unilateral moratorium. I would oppose a unilateral halt by the United States in its MIRV testing. Such a unilateral halt could not be justified if the Soviets should proceed with their testing of MIRV. But Senators CASE and BROOKE have proposed a mutual moratorium. I therefore strongly support their plea to the administration that the forthcoming SALT talks begin immediately, and that the administration press for a joint United States-Soviet moratorium and controls on further deployment of all strategic nuclear weapons including MIRV.

I agree with the Senator from New Jersey (Mr. CASE) and the Senator from Massachusetts (Mr. BROOKE) that without such a moratorium, progress that might be made in SALT negotiations could be seriously undermined, for it is not logical to deploy the very weapons we wish to prevent coming into being. It is wise to carefully plan for the negotiations on such a vital security matter as nuclear strategic weapons systems, and this I know the administration has been doing. But enough time has gone by. It is imperative to begin these talks before the momentum of the arms race carries away the opportunity for rationality and lessened danger from nuclear war that now exists. I hope our country takes the initiative asked by the Senator from New Jersey and the Senator from Massachusetts.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. COOK in the chair). Does the Senator yield?

Mr. CASE. I shall be happy to yield, but first I wish to express at this point my very deep appreciation for the remarks of the Senator from Kentucky, and my satisfaction in being associated with one who has been preeminent for years in this area. I have supported his views on the ABM. I am happy to have the association of his experience, compassion, and understanding in this particular phase of this matter.

Mr. GOLDWATER. Mr. President, I think it would be proper at this point in the RECORD, if the Senator would be so inclined, for him to outline his reasoning as to why he feels the moratorium on the development of MIRV at this time would aid in disarmament talks with the Soviets.

Mr. CASE. I think we have all been attempting to do that in our arguments but I should be glad to review briefly and in skeleton form the thrust of the argument.

I think it is axiomatic that we, and I am sure the Soviet Union, would be unwilling to make any serious agreement limiting our strategic arms that was not subject to surveillance, each by the other side.

At present the number of missiles deployed is so subject. With one weapon in each missile we know pretty much where we stand and we would continue this relative to the other. Once we have independently targetable weapons, three to 10, or maybe more inside a single missile, the numbers of weapons are then no longer subject to surveillance by external means. It is most unlikely, in our judgment—those of us who feel strongly on this matter—if not impossible, that an agreement on the limitation of weapons would be made then because it would not be subject then to inspection and verification. It is about that simple.

So long as the MIRV is in the testing stage, tests can be monitored and they are being monitored. We know where we stand. If either side tests further, we shall know that by our external means of inspection and surveillance. It is about as simple as that.

If we let these weapons get to the point where either side can deploy them without further testing, we shall be in danger of not being able to make an arms limitation agreement.

Mr. GOLDWATER. The Soviets have said time and again they will never agree to surveillance. If we could get them to agree to surveillance, I would be happy to join the Senator in his desire.

Mr. CASE. That is the point. The kind of surveillance we could have now is not subject to agreement or consent by the other side in either case, and that is why the possibility of an arms limitation agreement will exist so long as we have strategic weapons which are subject to surveillance, each by the other side, without the kind of onsite inspection which the Soviets will not let us make, and I think we would not let them make either.

Mr. GOLDWATER. To comment on that reasoning, I think this might have some bearing on the developing debate. We have not increased our participation in the so-called nuclear race over the past several years. Five years ago the Soviet ABM was made known. They have now deployed two and they are now working on a third system. In the same time, we have not only failed to stay ahead but we actually decreased the number of missiles we planned to have at the beginning of the entire program.

While I follow the Senator's logic, I do not believe there is any indication by the activity of the Soviet Union. Although we have been holding back our development in the main, they have been going ahead.

I do not share the same optimism my friend from New Jersey does that the

Soviets, now that they are not "comfortably" ahead, but ahead, and going further ahead in this so-called race, will be willing to come to an agreement such as we must have, that is, on-site inspection, if this thing is to work, when they declined in the past to agree to the same requests that have been made on them before.

I think that if we are going to get down to the nub of the whole thing it would be between the logic the Senator so ably developed, and the plain facts of the case have not indicated to the rest of us that they see any reason to participate now in negotiations.

I cannot agree that by dropping the development of MIRV they would be willing to come in.

Mr. CASE. I appreciate the Senator's concern. I appreciate very much the opportunity to discuss the matter with him on the floor of the Senate because he has been active and interested in this entire matter of our defense, including the area of strategic weapons, for a long time.

There is no question but that the number of missiles deployed by the Soviet Union has increased; but there is no question that our capacity for retaliation is as strong and powerful a deterrent as it has ever been, and the deterrent likewise operates against us.

This is the time when we are most likely to get some kind of arms limitation agreement. The Senator asks why should the Soviets want to reduce arms or come to an agreement when it is moving ahead so quickly.

I think the answer is as simple as this. As far as the Soviets are concerned, this is not a question of their loving us, or of their having a particular desire to help us or to do otherwise than in the words of Khrushchev, if the Senator will, to bury us. But they realize the world is too difficult and dangerous potentially for these two greater superpowers to let the arms race spiral to ever-ascending heights at which the risk of disaster will be so enormously increased, and the necessity to limit the arms race, therefore, at a time when both will have and both do have and will maintain this retaliatory capacity vis-a-vis the other. This seems to me to be most in the interest of the Soviets, our own interest, and the interest of the whole world and they are astute enough to see that.

Mr. GOLDWATER. I hope the Senator is right. I again bring up the facts of this case which have not indicated they are overly anxious to participate. They have known of our intentions and desires. I must say there has been no reaction to our overtures and no response at all that would give me the feeling that by dropping MIRV it would cause them to come to the table faster than dropping the ABM at the present time would cause them to come to the table.

Mr. CASE. The Soviet indication of interest in this field has been made known to us for a year or more, and that we were interested is quite true. Under President Johnson we were just about to go, and then the situation in Czechoslovakia came along and other matters interrupted our getting together. And so I do not think it is true that they have to be enticed to the bargaining table, because they want to come. The other day, the Secretary of State said that he talked to Mr. Dobrynin, as I understand it, and talks are scheduled to begin in 6 weeks. That is not the problem. The problem is, as we see it, to maintain the situation in which not only talks will go on but that circumstances may also be maintained in which effective arms limitation agreements can be made. That is the point.

Mr. GOLDWATER. Suppose the resolution of the Senator is adopted. Is it his idea that we immediately stop development of our MIRV and not wait for the Soviets to indicate that they will stop theirs, or would it depend upon their similar action in the field?

Mr. CASE. Certainly, we will not continue any suspension of testing for any length of time unless they do the same exactly. Thus, the difference between the resolution of the Senator from Massachusetts and mine is purely a semantic matter. His would require prior agreement on both sides. Mine would suggest an immediate cessation, or stopping, to be resumed if there is any further testing on the other side. I think it is purely a matter of semantics, really. Neither one of us is talking about a unilateral suspension.

Mr. GOLDWATER. I have not suggested that.

Mr. CASE. I know the Senator has not suggested that.

Mr. GOLDWATER. That, to me, is the point the Senator must clear up. If we stop experimentation in this field without their stopping at the same time, I do not believe we will achieve anything but give them an additional balance in their favor, where if we have a mutual agreement between the two countries that we will stop testing MIRV, that would be an entirely different picture.

Mr. BROOKE. That very well may be the slight difference in the resolution of the Senator from New Jersey (Mr. CASE) and the sense of the Senate resolution which I propose. I would agree——

Mr. CASE. In which I associate myself.

Mr. BROOKE. With which the Senator from New Jersey associates himself. I would agree with the Senator from Arizona that we should not stop testing until the Soviets stop their testing.

I do not believe that we should immediately stop and wait for them to stop. It should be done simultaneously. A cessation of the operational testing of MIRV should be done simultaneously.

If I may, I certainly would agree with what the Senator from New Jersey has said about the negotiations and the arms control talks. I think that the Soviets have indicated that they do want the talks, but there were several matters which have postponed them. One, as the Senator very well points out, is the move in Czechoslovakia by the Soviet Union. Certainly they were responsible for that. The others, of course, would be that there has been a change in the administration, and this prompted some delay. Then, I think that President Nixon's insistence—and rightfully so—that there be a thorough inquiry and study of our position prior to any talks, has further delayed the talks.

But I think that the rationale for MIRV was the Soviet ABM system. We know that the Soviets have an ABM system around Moscow which they found was not a very good system and which some have said they are dismantling. We do not really know whether they are dismantling it or not. But, at least, we know that we do have some leadtime. For the Soviets to deploy a sophisticated, strong, and hard system would take about 3 to 4 years of leadtime. We do not need more than 1 year of leadtime for the completion of our testing of MIRV and the perfection of its offensive capability.

If, on the other hand, the Soviets decide to deploy a sophisticated ABM system, then, of course, we can go ahead with the MIRV testing at any time. This is our deterrent factor. I think that this is the rationale upon which the whole MIRV technology is based. But that rationale fails if the Soviets are not developing a sophisticated ABM system and deploying it.

For that reason, I think that the sense of the Senate resolution calling for a moratorium on the operational testing of MIRV at this time is so important, because once the "genie" is out of the box, then it will be difficult if not impossible to proceed with further arms control talks. As the Senator from New Jersey has so adequately pointed out, the Soviets have shown no inclination that they are willing to let us come into the Soviet Union for onsite inspection. As the Senator from Arizona, who sits on the Armed Services Committee with me knows, they have not, even in the Nonproliferation Treaty, discussed with us onsite inspection.

Once we have MIRV, inspection will be made even more difficult. In order to determine if missiles have been mirved, we might have to go in and dismantle the ICBM's which, of course, we do not expect the Soviet Union would agree to, nor would the United States agree to it.

If we continue this testing and they continue the testing, then, obviously, at some time, and it would seem to be for the near future, this technology will be perfected. Then it might be too late, too late to get on with the negotiations, too late to commence serious arms control talks.

Therefore, I propose that one thing we can do at this time to bring about arms control talks and negotiations and to limit the escalation is to call a halt to the operational testing of MIRV, and MIRV technology, because this is unquestionably the most potent, the most dangerous, offensive capability that we know of on earth today.

I think that if we can resolve this problem, then, perhaps, we can put the ABM issue where it should be. I do not mean to take anything away from the importance of the ABM issue. I know that the distinguished Senator from Kentucky (Mr. COOPER) has been talking about it and working in opposition to deployment of it for some years now, and he feels very strongly about it. I think it is a very important issue. But if we can resolve the MIRV issue, then we may be able to resolve the ABM defensive issue more easily, because we can control the offensive capability against which it may be deployed.

Mr. CASE. I thank my colleague from Massachusetts and join in his remarks on that point also.

Mr. JAVITS. Mr. President, will the Senator from New Jersey yield?

The PRESIDING OFFICER (Mr. CRANSTON in the chair). Does the Senator from New Jersey yield to the Senator from New York?

Mr. CASE. I yield.

Mr. JAVITS. Mr. President, I think that both Senators have raised critically important issues. I find myself very much in the position of the Senator from Kentucky, who is a long-standing opponent of the ABM deployment.

With all respect, this subject has not yet been adequately clarified to the Senate. There are a number of questions which I think need to be raised, and the sponsors need to address themselves to those questions.

I should like to raise one or two. It is easy enough to go on the resolution. Certainly it would not be incompatible with the principles which I have followed here. But I have not yet gone on it. I may. I am thinking about it seriously, because I am sympathetic to it; but, as I say, I think there are some questions which will have to be answered first.

This is the main question which concerns me: It is clear that the ABM represents a new plateau, another strategy, in the nuclear arms race. Even the President has had to admit that. He himself turned from the Sentinel to Safeguard; in other words, from protecting or alleging that he could protect cities, to protecting missile sites. The Russians, in their deployment, to the extent that it proceeded as something called Galosh, they, too, had the same concept that they want to protect cities, that unless we do get somewhere on the ABM, they will undoubtly do the same thing and follow us with regard tc Safeguard.

That represents a totally new strategic concept, a different strategic concept than the one that has been the balance of terror for the last 20 years. The balance of terror has been the mutual offensive capability of the United States and the Soviet Union. Though we may be ahead of them—and, indeed, I think we are—the extent of the overkill is so great that it hardly matters. We all recognize that.

What concerns me with the new idea which our friends, our allies, our supporters, Senators CASE and BROOKE, are introducing into the suggestion is whether or not it is desirable to now go back from this new platform, which we are all agreed on we have to fight from at all costs. That is here by authorization. We do not have to pass a sense resolution on that as to whether we are for or against. The question is whether it is desirable to take specific objectives like MIRV and retrace on disarmament negotiations from the platform of the struggle led by the Senator from Kentucky (Mr. COOPER) and others. He certainly has been preeminent in it.

We have been fighting for the proposal that we stop Safeguard and then go back from that to SALT negotiations—not only MIRV, but the Minutemen in their silos, to every kind of nuclear weapon, as far back as we can, to halt the unbelievable consumption of the nuclear arms race.

I am not satisfied that MIRV is the place where we should stop. I want to go back further, if we can. I do not know what a SALT negotiation will produce. I am not quite sold on what a SALT negotiation will produce and that if they stop producing MIRV, a great advance has been made. I want to see a halt on testing underground. I want to see nuclear arms reduced to nothing, and then go on to traditional and conventional weapons. I am not satisfied to stop only at MIRV. I do not think that is a great big success. Everybody in the world could be killed, anyway, even if we stopped MIRV, if some insane man took control in one country or another.

Mr. CASE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CASE. The Senator has helped to sharpen our point.

Mr. JAVITS. Good. I am glad. I invite the Senator to go ahead and sharpen it.

Mr. CASE. ABM was a new plateau. I suggest MIRV raises the plateau a thousand times. It is not just that we are trying to stop MIRV. The point is that once MIRV is deployed, we cannot negotiate on anything; limitations on single weapons, for example. We will not know whether they are single weapons. This is the enormously important part of MIRV—the utter uncertainty that it introduces into the whole matter of arms limitation because of the utter uninspectability of all arms after MIRV becomes a possibility. That is the point. And to suggest that this is new matter which we are interested in for the first time is a mistake.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. CASE. I am happy to yield.

Mr. BROOKE. I am certainly pleased to see the distinguished Senator from New York join in the colloquy and ask an important question. He is one whom we would all like to see associated with us.

Mr. CASE. It is inconceivable that he will not be.

Mr. BROOKE. We would like to see him join in the resolution of the Senator from New Jersey and the resolution to be introduced tomorrow. I will join in the last statement that it is inconceivable that he will not be.

The Senator raises the point as to whether the MIRV resolution is diversionary. I certainly can understand the Senator's high regard for the work of the distinguished Senator from Kentucky (Mr. COOPER) on ABM and the work of the many others who have joined in it, in their attempt to stop the deployment of the Safeguard system. But I do not think that the MIRV resolution is diversionary.

In the first place, if MIRV is not stopped at this time, then certainly next year the ABM will unquestionably be deployed, because we will have to deploy an ABM if we know that the Soviet Union has "MIRV-ed" its ICBM's. There is no doubt about that.

I think, as the distinguished Senator from New Jersey has stated, we are on the verge of MIRV, and if we allow the perfection of MIRV and everything else that we have been talking about, all our greatest fears will be upon us. That is in the offing.

I know the Senator is interested in the SALT talks, and in the ABM and other issues. But we do not have any time on MIRV. We know how close we are to MIRV. We know about our testing. We know the Soviets are testing, but we do not know if it includes testing MIRV's. We do know that the Soviets are testing MRV's. There seems to be some conflict, in the testimony that I have heard, at least, as to whether the Soviets are testing MIRV's. But if they are testing MIRV's, and if they "MIRV" their SS-9's, with the supermegatonnage they have, then we are in serious trouble.

I would agree that in any nuclear exchange between the United States and the Soviet Union what would probably result is a society that we would not want to live in. I agree with that. But we do have an opportunity to stop it, and we can only stop it if we bring about a moratorium on the operational testing of MIRV. Once it is a fait accompli, it is possible we will never get on with any negotiations. If we do, the issue is going to be far more difficult.

The ABM issue has been discussed over a long period of time, under the leadership of the Senator from Kentucky (Mr. COOPER) and other Senators. I certainly know that matter will come before us. But it need not interfere with our resolution calling upon the President of the United States to ask the Soviet Union to agree to a moratorium on the testing of MIRV. Those of us who raise this issue are not in leadership positions in this body. The resolution may not come to the floor. But if a sufficient number of Members of this august body say to the President we believe we should get on immediately with arms control talks and we further believe that we should stop the testing of MIRV in order to get on with arms control talks, I think it will be living up to our responsibility as enlightened members of the legislative branch of this Government.

I do not think this proposal will in any way affect the ultimate vote that will be taken on whether we should deploy the Safeguard system or not. Although they are related subjects, I think they certainly can be divorced so far as any vote that will be taken on the floor on the sense of the Senate resolution, or whether we should deploy the Safeguard system when it comes up for a vote.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. CASE. Mr. President, I shall say only this before I yield to whoever else would like to have the floor. The point is we are not going to dilute or weaken our position with regard to unjustified deployment of ABM or the wrong kind of ABM or the ABM in the wrong place. It is by action that we develop strength, not only strength to propose but to oppose, and knowledge and experience. The larger the group in this body—the Senator from Kentucky, the Senator from Massachusetts, the Senator from New York, the Senator from California—who is on the floor and on his feet—the Senator from Maryland, the Senator from Kansas, and other Senators, interested in this subject, the more important and

effective this body will be in relation to every issue. It is not necessary to ration a limited amount of strength in this body. Strength grows with doing. It will be more effective in the case of ABM because of having exercised itself on this issue also.

Mr. BROOKE. Mr. President, will the Senator yield on that same point?

Several Senators addressed the Chair.

Mr. CASE. I yield to the Senator from Massachusetts.

Mr. BROOKE. In answer to the Senator's question, if the Soviets perfect MIRV, we are not going to be talking in the United States about the deployment of an ABM system like Safeguard. Safeguard is not going to be sufficient to protect us against the Soviet MIRV, SS-9. So we would not even be talking about Safeguard.

We shall first have to stop the MIRVing of the SS-9 through a moratorium on the operation testing of MIRV, or else the ABM issue is relegated to a position of really not being of great importance. I shall not say the issue will become insignificant; but we will find ourselves talking about a far more sophisticated and expensive ABM system.

Mr. JAVITS. Mr. President, if the Senator will yield to me for just a very brief comment——

Mr. CASE. I am happy to yield.

Mr. JAVITS. I think we who are fighting the ABM battle—and I think that still remains the main engagement—have to be very careful about our position in the eyes of the American people, that we are not gullible; and I think the Senator's resolution certainly covers that in terms of reciprocity—that we do not expect the millennium, but that we want to stop somewhere, and we think we have found the point at which to stop, beyond which is the point of no return.

If the Senator is correct in the cutting edge of his argument, which is that once we let MIRV come into being for the Russians or us—probably much more damaging for the Russians, because of their opposition to onsite inspection—then we have put ourselves beyond the pale of disarmament agreement, because there is no way of dealing with MIRV except onsite inspections. That is essentially the cutting edge of the argument of the Senator from Massachusetts.

I do not know that I agree with that, for this reason: It may very well be that the United States would at all times insist on onsite inspection, if we limited intercontinental ballistic missiles themselves. It may be that there is no automatic surveillance in any way that will substitute for it even to that extent; so that just cutting off the MIRV would not be taking us back far enough.

That may be. I am not saying it is, but it may be.

In addition, we cannot discount the development of the means. In other words, in the last 10 years, for example, without disclosing any big Government secrets, we all believe that the means of non-on-site surveillance, for example, even in the field of peaceful uses of atomic energy, have very materially advanced. I personally have little doubt that those means will advance farther, probably to include even the multiple warhead type of operation.

I think the argument itself has shown, just now, the concern, which I think is a proper one for me and for the Senator from Kentucky (Mr. COOPER), who probably says things more kindly than I do, but really implied the same thing: that we do not want to get away from the main struggle. And I am not entirely in agreement with the Senator from Massachusetts that the main struggle does not continue to be the ABM.

But be that as it may, I do think that the resolution which the Senator proposes, assuming the hypothesis that he bases it on, is certainly a fair one in reciprocity.

I think we all owe another debt of gratitude—as I have owed many, over a long lifetime, because I have served with him, man and boy, for 20 years—to the Senator from New Jersey, for calling this matter strikingly to the attention of the President and the country. That again, itself, is of critical importance, because it may be that all the while that we have been fighting about Safeguard and the ABM, a few smart boys in the back room of the Pentagon have been saying, "Well, these fellows are a joke. When we get MIRV, there is nothing to be done about it; we have got to go on and on from there."

Maybe those fellows are right, and that is the plan. That may be what we ought to be deliberating about. Whether I go on the resolution or not, or Senator COOPER does, I do not think is very critical.

But I do think the sharpness of focus with which the Senator from New Jersey has raised this issue, and the fact that it has been raised by him in a serious way, laying his tremendous prestige on the line, as it were, is a great service to the country, and I shall join in it with the greatest of avidity and cooperation. I believe that the greatest use of it is to keep us from falling into the pitfall that men most often fall into, which is not the one ahead, up the road, but the one which lies at their feet.

Mr. CASE. Mr. President, I would assume that the Senator from New York will and does support wholeheartedly the Senator from Massachusetts, the Senator from Kentucky, myself, and others in our effort to secure earliest hearings on this resolution.

Mr. JAVITS. Of course. I am on the committee, and the Senator has my full assurance of cooperation in that respect.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. CASE. I yield.

Mr. COOPER. Mr. President, I have found no problem supporting this expression of concern about MIRV, in my position, and I shall state my position.

I said a few minutes ago that the main reason I opposed the installation and deployment of ABM was to see if there was a possibility to bring the nuclear arms race to a halt, and perhaps under control.

I do not know whether or not an agreement can be reached, but it seems to me that we have some time, perhaps a year, in which to determine if it is possible. During that time, during that year we can better see if the projections which have been made by the Department of Defense and by Secretary Laird are in fact correct assessments.

If Secretary Laird's conjectured assessments are in fact correct, and we would have to take measures to meet the projected threat—measures that are now being proposed—in my view too early, before it is necessary. I believe we should first make a determined effort to bring the nuclear arms race to a halt. For this reason, I see no conflict in any way between my support of a resolution which seeks to bring it to a halt to the deployment of a related weapon in the next generation of nuclear weapons—MIRV.

As the Senator from New Jersey has stated, and as has been stated in the testimony given by many distinguished scientists, and by the Department of Defense itself, the reason that we started the development of MIRV was because the Soviet Union had begun the construction of an ABM; conversely, the Soviet Union began the partial installation of an ABM around Moscow because we were developing MIRV.

I was very much interested in reading the testimony of the Secretary of Defense in the so-called white paper which has just been released, which is his testimony before the subcommittee of the House Appropriations Committee on May 22.

Throughout that testimony, again and again, while Secretary Laird never categorically stated that the Soviet Union is employing an MIRV, he left the implication that not only that the USSR has the capacity to do so, but that they are probably coming very close to that ability. In fact, in one place he made the statement that the tests in the Pacific, which he first said were tests of MRV, could very likely have been MIRV tests.

He uses this possibility as an argument to press upon Congress and the American people to support the deployment of the very doubtful Safeguard system, a system deficient in technology and feasibility. In very significant ways MIRV and ABM are related. I am happy that other Senators have undertaken to search into the larger questions of arms control which now face us. I support the resolution because it is one which speaks to a mutual halt of flight testing. ABM and MIRV are obviously related, and I should be inconsistent if I did not support it. It is my belief that the United States has to begin, and begin now, these SALT talks to see if we can stop this nuclear arms race, with all its systems calculated to bring us to destruction.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. CASE. I yield to the Senator from Massachusetts.

Mr. BROOKE. The Senator referred to statements by the Secretary of Defense that the Soviets were testing MRV's, and were probably testing MIRV's.

Did the Secretary of Defense at any time clearly state that we have information which would indicate that the Soviets are actually testing MIRV's?

Mr. COOPER. I read very carefully over the weekend the so-called white paper—the hearings before the subcommittees of the Committee on Appropriations of the House of Representatives under date of May 22.

I studied in detail the testimony relat-

ing to MIRV given by Secretary Laird. In no place does he ever categorically say that the Soviets have tested MIRV. However, we find a statement like this on page 9 after the preceding paragraph speaking of the test of MIRV:

A number of these vehicles have been launched thus far, three out to 5,100 n.mi. into the Pacific. (The third was launched just the other day.) Although we still have no conclusive evidence that these multiple reentry vehicles are independently aimed, the intelligence community considers it likely that the Soviets will go on with the development of MIRV's and install them in a new version of their SS-9 type ICBM's. Should they also greatly improve the accuracy of their small ICBM's, which the intelligence community considers possible, the survivability of our Minuteman force as presently deployed would be virtually nil by the mid to late 1970s.

Immediately following that, in the next paragraph, he said:

It is also possible that the SS-9 with the three reentry vehicles will turn out to be a MIRVed missile. If that should be the case and if the Soviets were to back-fit all of their SS-9's with this new payload, three 5-megaton warheads each, the more than 230 SS-9's now operational or under construction would in themselves constitute a severe threat to our Minuteman force. And, if the Soviets were to increase this force to even 420 missiles and improve the accuracy to a quarter of a mile, they could probably destroy 95 percent of our Minuteman force, leaving only 50 surviving.

He never categorically testified that any of the MIRV's have been fired or tested. However, there is a kind of implication running through the testimony that perhaps the MIRV's have been tested.

Then, through statements to the press which have appeared in several papers, in which articles the writers—and I do not criticize the writers because they state very clearly that the information comes from authoritative sources—say that the MIRV's have been fired.

The articles give that implication. The articles seem to be part of an effort to impose upon Congress and the American people a belief that Soviet MIRV's are being fired or about to be fired and that we are in such great danger that we must immediately install the Safeguard ABM system.

The point is that all these new weapons systems are interrelated. The installation of the ABM for example will bring about the development of more offensive missiles and increases the likelihood of the development of MIRV's.

Because it is so important to get into talks about the limitations of all future weapons systems both offensive and defensive before they are deployed. I find no difficulty in supporting the position of the Senator.

Mr. CASE. Mr. President, I thank the Senator from Kentucky. I think he is quite correct in his analysis of these two most important matters.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. CASE. Mr. President, I yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, as I understand what the Senator from Kentucky has read and quoted from the statement of the Secretary of Defense, it is to the effect that the Soviets are likely to develop MIRV for the SS-9. Of course, they are likely to develop MIRV for the SS-9. Of course, they want to move on from MRV's to MIRV's. Of course, the Soviets know that we are testing MIRV's.

We cannot expect the Soviets not to continue their testing and not to move on to MIRV technology if they know through their intelligence that the United States has moved into MIRV technology.

This is exactly what we propose to do by a moratorium on operational testing—to stop any further testing so that the Soviets will not perfect their MIRV technology.

I am very delighted that the senior Senator from Kentucky supports our position. I think there is nothing that is repugnant to his ABM position in this sense-of-the-Senate resolution on the moratorium on MIRV's, nothing inconsistent with it, nothing incompatible with it.

I hope that the distinguished senior Senator from Kentucky, together with the distinguished senior Senator from New York, after asking all the questions they want to ask about MIRV, will not only support it thoroughly, but will also join in the sense-of-the-Senate resolution as distinguished cosponsors of that resolution.

Mr. CASE. Mr. President, I thank the distinguished Senator from Massachusetts.

Before I yield to the distinguished Senator from California and then to the distinguished Senator from Maryland. I point out that what has been said, it seems to me, as he suggests, only underscores the great urgency of action on this matter at the earliest possible moment.

The closer the Soviet Union is and the closer the United States of America is to achieving the deployability of MIRV, the closer we are to that point of no return which we are all deeply concerned about.

Mr. President, I am sorry to have delayed so long in yielding to my friend, the distinguished Senator from California.

Mr. CRANSTON. Mr. President, I thank the Senator from New Jersey.

The evidence is overwhelming that ABM and MIRV are inextricably linked, that they are locked together. Those of us who now oppose ABM may well find ourselves supporting the ABM system in the future. And if we fail to stop the MIRV now, if MIRV is let loose upon the world, and if research and development dispel further doubts concerning the ability of an ABM to function, we may be driven to the point of recognizing that ABM is indeed required to give us defenses against MIRV.

I point out to the distinguished Senator from Kentucky and to the distinguished senior Senator from New York—whose deep devotion to peace and recognition of the very great tensions and strains and dangers that stem from the arms race are beyond question—that time is running out on this matter.

I know of the care and thoughtfulness of the Senator from New York in approaching all issues. However, on this issue, the point of no return is close upon us.

The original desire to enter into negotiations to halt the development of this and other devices of mass destruction was strongly evident last year. Then came the invasion of Czechoslovakia and an end to all negotiations at that time.

Then came the new administration. That administration has quite properly devoted considerable time and thought and exploration and research to the whole question of disarmament.

During this period, time has been running. During these months, there have been tests by us of MIRV and tests by the Soviets of either MIRV or MRV.

Quite soon, each side presumably will be satisfied that it has tested enough, although all evidence now is to the effect that neither side has yet reached that point.

As the Senator from New Jersey has said, once deployment of MIRV occurs, all is lost in terms of inspection, short of on-the-spot inspection, which is unacceptable to the Soviets and may well be unacceptable to us under some circumstances. Indeed, we do not have to wait until deployment comes for all to be lost on this issue.

Once either side is satisfied that it has tested enough, or once either side fears that the other side has tested enough, we have gone beyond the point of no return. That is why it is so urgent that all strength possible be brought behind the effort now to stop MIRV, before weeks, let alone months, have passed and that danger point is suddenly behind us.

With respect to the remarks made by the Senator from Arizona, I totally agree with him in his basic point that we should not stop MIRV if the Soviet Union does not stop MIRV. The resolution offered by the Senator from Massachusetts takes that point fully into account and takes into account that present abilities to inspect—not including on-the-spot inspection—enable us and enable the other side to know whether or not there are experimentations with this device; and so each side could automatically and instantly detect a violation of a stand-still agreement if this resolution were adopted and a stand-still agreement was accepted by both sides.

Finally, let me say, from this side of the aisle, that I think a great contribution has been made to the cause of peace by the fact that the Senator from Kentucky (Mr. COOPER), on the other side of the aisle, has provided the great leadership he has provided in the ABM fight, and he recognizes the interlocking nature of the MIRV and ABM. This, together with the fact that the Senator from Massachusetts and the Senator from New Jersey, again on the other side of the aisle, have provided such inspiring and effective leadership in the MIRV battle, along with the ABM battle, bodes well for our country. When we can have this sort of leadership within that party, matched, I hope, by effective leadership on this side of the aisle, I think we have rising hopes that we can make a breakthrough in the cause of peace.

Mr. CASE. I thank the distinguished Senator from California.

Mr. BROOKE. I thank the distinguished Senator from California.

I should like to say that he is providing distinguished leadership on that side of the aisle, and we are very grateful for having his association with the sense-of-the-Senate resolution.

Mr. CASE. I yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I thank the Senator from New Jersey for yielding in order that I can pay tribute to his leadership and to his objectivity in bringing this subject to the floor of the Senate this afternoon.

As the Senator knows, I am very much in sympathy with his views. I hope to join with the distinguished Senator from Massachusetts in the resolution to be offered on the subject of MIRV.

I should like to make one cautionary point. There has been a good deal of discussion this afternoon about ABM's; and my own position on ABMs has been a matter of public record for over a year, since we had to vote on this matter in the other body, of which I was then a Member. I have stated here my views—they are in sympathy with those of the Senator—on the question of MIRV.

I hope that we will set this entire discussion—as I am sure those of us who are here today do set it—in its proper context. But I think we should make it clear, not only for those who are in the Senate today but also for all others who may have some interest in these proceedings—that we are discussing not just certain things, certain new instruments of mass destruction, certain new weapons.

We should make it clear that we are not falling for a new recipe of the Washington alphabet soup; that we are talking about an entirely new generation of armament; and that as we discuss these individual items of armament—offensive and theoretically defensive—we are contemplating the fact that the world is threatened with a whole new generation of armament, a new generation of armament that a crowded world and a hungry world cannot afford and will not tolerate.

It is for this reason that I am extremely grateful to the distinguished Senator from New Jersey and the distinguished Senator from Massachusetts for the leadership they have shown. Unless we can take hold of the objective points in such a vast and complex question as this—and we have taken hold of them—I think it makes it very hard for Congress and for the country to grasp the implications, and I appreciate what the Senator from New Jersey and the Senator from Massachusetts are doing.

Mr. CASE. I thank the Senator from Maryland. I thank him not only for joining us in general support of our objective, but also for the particular contribution he has just made in regard to this matter as an element in the escalation of the arms race.

The arms race will go from level to level, ever higher in escalation, unless it is stopped by verifiable agreements. This matter is important further for two reasons: In itself as an escalation of the arms race and, most important, as an element, depending on how we deal with it, which will have perhaps crucial importance upon the possibility of securing verifiable arms reduction agreements.

I thank the Senator.

I yield the floor, Mr. President.

SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1969

The Senate resumed the consideration of the bill (H.R. 11400) making supplemental appropriations for the fiscal year ending June 30, 1969, and for other purposes.

Mr. CRANSTON. Mr. President, I support the committee amendment to restore the $16 million which was cut from the educational opportunity grants program last summer. I congratulate the Appropriations Committee for including this item in the supplemental bill. It has grieved me to see a program with so noble a purpose as this, one which seeks through education to promote equality of opportunity in this country, stymied through a lack of funds. I think that this is a commitment we should keep. Congress should cease playing a game of cat-and-mouse with the young people from disadvantaged backgrounds whom this program is designed to serve.

At the outset, it was envisioned that the EOG program would enjoy a steady rise, enabling a gradually increasing number of disadvantaged students to attend college. This would be part of our attack on poverty, and it would attempt a cure at the roots—lack of education and training for fruitful lifetime employment. It has long been recognized that there is a great deal of talent wasted in this country due to lack of opportunity to exercise it.

College is expensive. Even a relatively inexpensive college is expensive, for it means, to begin with, the short run sacrifice of income. For the child of a family which can shoulder little of the financial burden of college expenses, the educational opportunity grants can add the margin of help that makes it possible for a student to attend college, pay the tuition, buy the books, and cover the personal expenses which are involved. For disadvantaged students, the colleges can use a combination of work-study, individual earnings, and loans, and fill the gap with an EOG.

When appropriations for EOG's were cut by $16 million last fall, college opportunity was denied to some 32,000 aspiring students. This is the approximate number to whom the colleges would have to deny aid because of the reduced appropriations, and these are the very students who have the fewest alternatives for financing a college education. For California residents the number denied would be about 4,040 disadvantaged students.

Even the 2-year community colleges, which are among the Nation's best educational bargain, will have to cut back their services to disadvantaged students. California has a vigorous community college system. Many of these colleges are doing yeoman work in the education of the disadvantaged in their areas, and their reports to me indicate that they are hurting. Here is the complaint from the San Mateo Junior College district, which enrolls 1,300 minority students, many of whom need financial aid:

> One of the serious problems that has led to alienation and to campus disruption has been our inability to provide adequate financial aid for our students from homes of low family income . . . We know that innovative programs like ours, coupled with appropriate student financial aids, can equalize opportunity and minimize campus tensions.

From the San Jose City College comes this report:

> We have a substantial number of minority students who attend our college and we are desperately in need of funds to maintain adequate programs . . . The Student Financial Aids Program for 1969–70 at San Jose City College has been drastically affected by the curtailment of funds from the Federal Government. We will receive approximately forty per cent of the funds requested from each of three programs—NDSL, EOG, and Work-Study. What this means is that awards to students in need of financial assistance will either have to be reduced below the level students will need to meet their educational expenses, or reductions will have to be made in the number of students whose low incomes qualify them for financial help.

Mr. President, I hope these examples will illustrate why I believe that it is urgent that we vote to restore no less than $16 million to the EOG appropriations for 1969. I do not believe that colleges should be hampered in their efforts to equalize educational opportunity by an unpredictable Congress. A program like this requires funding close to the authorization level if it is to do the job it was designed to do. And in this case it is a vitally important job which will be critical for years to come.

EDUCATIONAL OPPORTUNITY GRANTS

Mr. GOODELL. Mr. President, I am extremely delighted that the Committee on Appropriations has restored $16 million in funds for the educational opportunity grants program in the second supplemental appropriation bill now pending before the Senate. As I indicated in a letter to the committee urging that this action be taken, about 32,000 low-income and disadvantaged students will be able to take part in this program next September should these funds be appropriated now.

The educational opportunity grants program has been a successful and effective way of making the benefits of higher education available to qualified high school graduates of exceptional financial need who, without this aid, would otherwise be unable to obtain these benefits. It is vitally important that we continue to support programs of this kind to the fullest extent possible.

The restoration of full funding for the EOG program is significant from another point of view. We have passed programs in the Congress to identify and encourage needy students to continue their education beyond secondary school. In order for these programs to succeed, we must have the requisite financial assistance available for those students whose potential we are attempting to develop. It is simply inconsistent to encourage a needy child to better himself through higher education, and then have to tell him that we cannot help him out when he gets to college.

I hope that when this issue is discussed

in conference, the conferees will agree upon the necessity for a full restoration of $16 million in funds for this program. Congress has shown its interest in developing the untapped potential of our disadvantaged youth. We cannot fail to carry through in our commitment.

Mr. President, as an excellent example of the immediate impact of these funds, I ask unanimous consent to have printed in the RECORD a letter from Samuel B. Gould, chancellor of the State University of New York, outlining the possible effect of this funding restoration upon the 63 campuses of the State University of New York.

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

STATE UNIVERSITY OF NEW YORK,
Albany, N.Y., June 11, 1969.

Hon. CHARLES E. GOODELL,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR GOODELL: I urge you to support current Senate efforts to add to the supplemental appropriation bill in the amount of $16 million to make the Educational Opportunity Grant (EOG) program available to many more of the prospective low income and disadvantaged students. In support of this effort, I would like to offer some indication of the extent to which such action will increase our ability to offer opportunity to these students at the 63 campuses of the State University of New York.

Of the approximately $1,230,000 in new funds for initial EOG awards which are likely to be made available to all colleges in New York State from a $16 million appropriation, about $270,000 would be assigned to the 25 State-operated campuses of the University. This would increase State University's available initial year funds by thirty percent, to $1,200,000.

Some 350 new EOG eligible students could be enrolled at SUNY's colleges in September in addition to the 1,100 for whom funds are presently available. The families of most of these 1,450 students have gross incomes below $3,000; none exceed $6,000.

It is important to understand that none of these young people will have to be sought out once the proposed appropriation becomes a reality. We now know who they are. They are waiting for us to fulfill the promise we made to them in partnership with the government based on the intent and authorization of the Higher Education Act of 1965 as recently amended. At least another 1,500 whose expectations have similarly been raised by this action of the Federal Government are waiting to hear from us.

Our community colleges could, collectively, expect at least an additional $300,000 from a supplemental budget you propose. This would bring their available grant funds to about $1,500,000. The number of students who could be offered this opportunity would increase from about 1,800 to approximately 2,400. These additional 600 students represent only part of the community college waiting list. Many additional students eligible and waiting for EOG support may have to be turned away by community colleges this fall.

Thus, for the entire State University, including the community colleges, the net increase in students who could be assisted by the supplemental appropriation would be close to 1,000.

State University with the support of New York State is trying to do its part in offering opportunity to the type of student the Educational Opportunity Grant was intended to assist. Our State University SEEK program alone of about $4 million is ready to provide the supportive educational and other assistance to these students. If the present low level of Federal EOG support should continue, we may have to redirect some of the SEEK funds from the educational programs where it is most urgently needed to the kind of direct financial aid that these students require. I strongly believe this is poor policy and the wrong use of resources. In addition, such action will create a dilemma that neither students nor college administrators should have to face.

The proposed supplemental appropriation is urgently needed now, and I would appreciate your willingness to give this measure your fullest support.

Sincerely,

SAMUEL B. GOULD.

Mr. JAVITS. Mr. President, in light of the situation which we now see at the end of the day, it is unlikely that the amendment I have submitted, to increase the supplemental amount available to the Neighborhood Youth Corps to $55 million, can be considered tonight.

I shall offer this amendment tomorrow, with the support of a number of Senators. However there are some remarks which Senators might find useful to have in the RECORD, together with a letter from the U.S. Conference of Mayors, and a schedule showing precisely why at least $55 million is necessary.

I might say preliminarily that this amount was proposed to the Appropriations Committee. I wish to express my gratitude to the Senator from New Jersey (Mr. CASE)—and I believe that the Senator from Rhode Island (Mr. PASTORE) was also of considerable help in the Appropriations Committee—for putting the matter before that committee and for being successful to the extent of $7½ million, which was not in the bill, and which represents an amount which even the Labor Department agrees we need and can be very fruitfully and effectively spent.

Because I think it is critically important, I would first express by thanks and appreciation for that, and explain to Senator CASE that I would not have offered this amendment at all were it not for the very strong support coming from the U.S. Conference of Mayors. If we expect to cool off what could be a very hot summer, I feel that we had better listen to them and Senators from States with big cities and smaller communities with similar needs should at least hear the argument and look at the figures and have an opportunity to vote on the needed amount, according to the Conference of Mayors, rather than just letting it go by default.

This does not take one thing away from the magnificent service—and the country should be very grateful—rendered by Senator CASE and Senator PASTORE in the Appropriations Committee.

Mr. CASE. Mr. President, I thank the Senator.

I thoroughly sympathize with him. In fact, as he has said, I did offer his amendment in the Appropriations Committee. I think the reason for it is obvious. I believe that the U.S. Conference of Mayors is the body most able to tell us what is necessary. Based upon the estimates from my own State, I know that the amount that would be provided by the Senator's amendment is by no means too generous.

Mr. JAVITS. I thank the Senator.

Mr. President, the amendment will be cosponsored by me, together with the Senator from Wisconsin and chairman of the Subcommittee on Employment Manpower and Poverty of the Committee on Labor and Public Welfare (Mr. NELSON), the Senator from California (Mr. CRANSTON), the Senator from Massachusetts (Mr. BROOKE), the Senator from New York (Mr. GOODELL), the Senator from Maryland (Mr. MATHIAS), the Senator from Minnesota (Mr. MCCARTHY), and the Senator from Ohio (Mr. YOUNG).

It would provide an additional $55 million under the Manpower Development and Training Act for the Neighborhood Youth Corps summer program for the coming months.

The summer Neighborhood Youth Corps program was developed to enable disadvantaged youths to earn money during the period when they tend to disassociate themselves from school and are most subject to pressures to leave school. Programs are administered on the local level by public or nonprofit "sponsors." On the national level, administration is the responsibility of the Department of Labor, pursuant to a delegation from the Office of Economic Opportunity. This summer the Department has stipulated that each sponsor must hire an independent accountant to certify proper handling and recording of funds. That should avoid some things we have run into in other summers, when we had irresponsible handling of accounting and bookkeeping details in some instances.

The Department of Labor has advised that 1,530,000 youths 14 to 21 years of age will be unemployed and eligible for Neighborhood Youth Corps summer programs this summer. Yet, without a supplemental the allocation for the summer will provide only 336,000 slots, the same number as last year. Thus, despite initial appropriations and the recent reallocation by the administration, the vast majority of our eligible disadvantaged youths will have no choice but to spend the summer months on our cities' streets rather than in meaningful employment.

We know that at this date there is a difference between the number of Neighborhood Youth Corps slots which is needed and the number which can be effectively utilized by the Federal, State, and local officials involved in this essential program. Accordingly, I recently requested that the Conference of Mayors poll their cities to determine how many additional slots could be beneficially used during the coming weeks. On the basis of reports confirmed on June 5, 1969, the Conference has advised that 72,382 slots can still be effectively used in our 50 major cities. For example, New York City falls 21,621 slots short of its needs; Chicago needs an additional 8,846 slots; Los Angeles, 2,401 slots; Detroit 2,422 slots; Baltimore, 2,363 slots; Cleveland, 2,822 slots; San Francisco, 642 slots; Boston, 814 slots; and Pittsburgh, 412 slots.

Mr. President, I ask unanimous consent to have printed in the RECORD a chart prepared for me by the U.S. Con-

ference of Mayors, dealing with the 50 largest cities and showing their needs at 72,382 job slots for the summer, giving the figures according to the present allocation, comparing them with 1968, and showing what is required for each of the 50 larger cities.

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

NEIGHBORHOOD YOUTH CORPS SUMMER PROGRAMS, 50 LARGEST CITIES, 1968 AND 1969—ENROLLMENT LEVELS

City	Summer, 1968			Summer, 1969			
	EOA	MDTA	Total	Original allocation	Additional slots added by reallocation	Total, all sources	Additional required
Akron	350	150	500	350	165	515	97
Atlanta	1,292	500	1,792	1,292	555	1,847	420
Baltimore	4,000	500	4,500	4,000	637	4,637	2,363
Birmingham	790	150	940	790	179	969	421
Boston	1,300		1,300	1,200	186	1,386	814
Buffalo	1,645	500	2,145	1,645	565	2,210	635
Chicago	18,500	3,000	21,500	18,500	3,654	22,154	8,846
Cincinnati	1,204	75	1,279	1,110	208	1,318	617
Cleveland	3,900		3,900	3,900	118	4,018	2,882
Columbus	625		625	625	19	644	456
Dade County (Miami)	1,250	350	1,600	1,150	499	1,649	501
Dallas	820	175	995	920	105	1,025	495
Dayton	420	100	520	420	116	536	84
Denver	450	100	550	450	117	567	233
Detroit	5,000	200	5,200	4,780	578	5,358	2,422
El Paso	398	300	698	398	321	719	0
Fort Worth	465	35	500	465	50	515	270
Gary	780	200	980	780	230	1,010	370
Honolulu	836	138	974	836	167	1,003	458
Houston	1,622	200	1,822	1,622	255	1,877	970
Indianapolis	400		400	350	62	412	238
Jersey City	750	114	864	750	140	890	385
Kansas City, Mo	798	300	1,098	800	331	1,131	269
Los Angeles (including Long Beach)	8,829	1,291	10,120	8,828	1,599	10,427	2,401
Louisville	1,380		1,380	1,480	45	1,525	1,080
Memphis	850	240	1,090	850	273	1,123	377
Milwaukee	1,100	407	1,507	1,100	453	1,553	372
Minneapolis	1,000	205	1,205	1,000	242	1,242	508
Newark	2,380	228	2,608	2,380	307	2,687	1,493
New Orleans	990	200	1,190	990	236	1,226	7,264
New York	23,900	3,640	27,540	23,900	4,479	28,379	21,621
Norfolk	1,000	100	1,100	1,000	134	1,134	616
Oakland	2,207	341	2,548	2,207	418	2,625	1,232
Oklahoma City	720	125	845	720	151	871	388
Omaha	830	400	1,230	830	427	1,267	188
Philadelphia	2,790	280	3,070	2,305	858	3,163	942
Phoenix	1,137	520	1,657	1,885	57	1,942	1,343
Pittsburgh	3,100	300	3,400	3,165	338	3,503	412
Portland, Oreg	510	65	575	616	19	635	431
Rochester	733		733	700	64	764	461
St. Louis	1,080	700	1,780	1,080	754	1,834	0
St. Paul	300	363	663	300	383	683	0
San Antonio	2,140	100	2,240	2,142	166	2,308	1,434
San Diego	1,539	213	1,752	1,539	266	1,805	884
San Francisco	1,525	400	1,925	1,525	458	1,983	642
Seattle	800	375	1,175	846	365	1,211	285
Tampa	1,100	200	1,300	1,100	239	1,339	586
Toledo	400	200	600	400	218	618	82
Tulsa	240	100	340	240	111	351	69
Washington, D.C	7,520	1,982	9,502	7,305	2,486	9,791	3,014
Total	117,695	20,062	137,757	117,566	24,813	142,379	72,382

Note: All figures except last column supplied by Department of Labor; last column supplied by U.S. Conference of Mayors.

Mr. JAVITS. Mr. President, we need not look merely to our 50 largest cities to find tension, discontent, and the need for additional opportunities for our disadvantaged youths. The Conference of Mayors advises that 67,313 slots can still be effectively utilized in hundreds of smaller cities which have sponsors for the Neighborhood Youth Corps summer programs. For example, Little Rock, Ark. is 600 slots short; Lexington, Ky., 150; Birmingham, Ala., 100; Orlando, Fla., 500; Fort Lauderdale, Fla., 100; and Compton, Calif., 200.

An opportunity for one youth in the Neighborhood Youth Corps summer programs costs approximately $411. To provide opportunities for the 72,382 youths in our 50 largest cities and for the 67,313 youths in our smaller cities who can still benefit from a summer job, will require an additional appropriation of an amount in excess of $55 million. As reported by the Senate Appropriations Committee, a supplemental of only $7,500,000 will be available, an amount based upon only a preliminary report from the regional offies of the Department of Labor.

As I said when I began, I respectfully submit that the situation is such, and the premium on having peace in our cities is so great, that I feel in all fairness the Senate should have an oportunity to vote upon the amount which the mayors think they need, considering the tremendous budgetary strains under which our Government departments are now laboring and the tremendous pressures on them to bring everything down to the barest minimum without real concern for the priorities involved.

The overall situation for this summer has been aggravated by the effect of certain decisions by the Department of Labor. I have made it quite clear in previous statements that the Department should be given the chance to redefine the "mix" of training opportunities available to our young people and I have every reason to believe that the administration is acting in good faith and that, in the end, the administration will provide expanded and more relevant opportunities.

But despite the Department's best efforts, the summer has arrived before those ambitious and well-intended plans can be culminated. Thousands of youths who were in Job Corps centers designated for closing have chosen not to accept transfer to other centers and have returned to the cities, still awaiting assignment to other manpower programs. The Secretary recently reported that as of May 24, 1969, only 225 of over 3,000 enrollees who had returned to their homes from Job Corps centers have actually been enrolled in other programs. In addition, the Department is making efforts to locate more than 1,100 dropouts who, once located, should be provided summer jobs. The Secretary has also indicated that more than 9,000 youths who had been accepted or had applied for Job Corps have been delayed entry and many may not be assigned to centers until as late as August or September because of a recruiting freeze instituted by the Department of Labor as a part of the phaseout.

We must make available Neighborhood Youth Corps slots for those youths who are caught in the uncertainties imposed by the transition between the elimination of almost half of the Job Corps centers and the implementation of new plans for an expanded and improved manpower training program.

Mr. President, we have been telling this Nation's disadvantaged over and over again that the road out of poverty is traveled by those who are willing to work. If we let an additional 136,500 youths 14 to 21 years of age spend this summer in idleness, how can we be assured that they will not spend the rest of their lives on welfare rolls? To fail to provide these slots is to miss an opportunity to let disadvantaged youngsters learn from their own experience that it means something to have a job.

Is $55 million too high a price to pay? How much is $55 million? Mr. President, colleagues, $55 million can buy more than 136,500 meaningful opportunities for youth or it can buy 200 tanks. Putting it another way, the recently announced cost overrun on the Minuteman missile would provide the number of job slots which we seek to add for this summer for every summer for the next 70 years.

Mr. President, I do not use those figures to denigrate what we do in defense or the provisions which are made to secure the hardware for our Armed Forces. I only point out that from the facts involved, considering the order of magnitude of the appropriations with which we deal, the amount of $55 million is not very large. A critical situation faces this country again this summer, as is wisely recognized through the Nation. Therefore, the price—if it may be deemed that—which we pay for an added measure of domestic security cannot begin to be compared to the amounts we spend unhesitatingly in the military field.

Mr. President, I, and many others, have fought hard for a rearrangement of our national priorities, within reason. I have talked about the overall figure of $5 billion as a figure which needs to be reoriented to the uses of the war on poverty, on rural poverty, as well as on urban poverty, and the other deep, social ills which assail our country today.

The sum of $55 million is of an emergency character. It is for summer jobs for the most volatile element of our population. This is simply an effort to rearrange our national priorities more in keeping with the aggregate of our national problems than, seemingly, has come out of the administration.

Mr. President, I would not have made this amendment without the support of the U.S. Conference of Mayors and their express statement that it is what is urgently required by those men to whom we will be looking to keep their cities "cool" throughout the summer. If we expect them to do that—and we do—we had better give them some tools to work with. This is what it takes.

The amount involved is so disproportionate to the issue involved, and so well within the capability of every budget, whatever freeze we may place upon it, that I respectfully submit that the amendment should be adopted.

Mr. President, I ask unanimous consent that the text thereof be printed at this point in the RECORD, along with a number of documents which establish the need which this amendment seeks to fill.

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

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, June 5, 1969.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: This is in response to the joint inquiry you and Senators Nelson and Cranston made concerning Job Corps enrollees at the centers to be closed.

The data we have reflects what has happened at the centers as of May 30 and at the local employment offices in the home areas of the enrollees as of May 23 except for 16 States where the latest information is as of May 10. These data are obtained each week and we can provide more up-to-date information as it is received and processed.

The status of the 16,536 enrollees at the centers to be closed April 11, including some 264 that arrived at the centers since that date, is as follows:

1. *Transfers to other Job Corps centers.* 4,700 have been transferred to other Job Corps centers. Another 1,100 are still in the centers to be closed and have been scheduled to be transferred to other centers. According to Job Corps officials handling the transfers, 97 percent of the women's and 100 percent of the men's urban center enrollees have been placed in the same program or in courses closely related to the skill training they were receiving in the centers that are being closed. The training program in the conservation centers is standard so that all conservation center enrollees transferring to other centers were able to continue their program without interruption.

2. *Placement in other manpower training programs.* As of May 30, employment service interviewers have referred 600 enrollees to training programs directly from the centers. About 85 percent were referred to MDTA projects, the remainder to NYC projects. We do not have data at this time to indicate how many have actually started their new program.

As of May 24, 3,000 enrollees had returned to their homes for placement assistance. Employment service interviewers at the local offices in the enrollees home towns have referred about 700 enrollees to training. Of this number 225 have been enrolled in a program with the remainder waiting for the courses to start. The types of programs are as follows:

	Referred	Enrolled
NAB, JOBS	82	42
MDTA, institutional	124	52
MDTA, OJT	17	0
NYC	223	83
Other	248	48
Total	694	225

There were about 500 ex-corpsmen who had been placed in an assessment program and were receiving stipends, and another 1,300 that were being processed.

3. *Placement in employment.* About 1,000 enrollees have been placed in jobs, with slightly more than half placed after they returned home and the remainder placed directly from the center. Over 80 percent of the placements have involved jobs paying $1.60 per hour or better; 28 percent had wage rates of more than $2.00 per hour.

4. *Job Corps graduates.* As of May 30, 2,300 enrollees at the closed centers have graduated. Another 800 are scheduled to graduate before their centers close.

5. *Dropouts.* As of May 30, 1,100 enrollees have dropped out of the centers to be closed. The local offices in the home areas of these enrollees have been notified of their leaving. Since the enrollees will have to contact the local offices to obtain whatever pay and allowances owed to them, it is expected that they will contact the local office at which time they will be put into the same assessment and counseling program as the other enrollees. As soon as the bulk of the enrollees that checked in through the employment offices is satisfactorily taken care of, we plan to make special efforts to contact the dropouts that have not contacted the local office by checking with their parents, school officials, etc.

6. *Summary* (data rounded to nearest hundred).

Job Corps enrollees in centers to be closed	16,500
To graduate	3,100
To transfer to other centers	5,800
To be referred to jobs or training	6,500
Dropouts	1,100
To be referred to jobs or training	6,500
Referred to training	1,300
Placed in jobs	1,000
Still at Job Corps center	800
In transit to home area or data not received from local employment office because of lag in reporting	1,600
In counseling and assessment program	1,800
Receiving stipends	500
Being processed	1,300

I trust that this information will give you a clear picture of what has happened to enrollees at the centers to be closed.

During my April 25 appearance before your committee there were several requests made for information which I promised to supply for the record, but which we were unable to furnish the committee before the transcript was printed. I am now enclosing four tables developed in response to your inquiry about the need in the United States for manpower programs and the extent to which that need is being met (page 250 of the Hearings). Also enclosed is material relating to the cost of operating the new centers (page 275 of the Hearings).

Sincerely yours,

GEORGE P. SHULTZ,
Secretary of Labor.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, May 29, 1969.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: This is in response to the questions raised in your telegram of May 7 concerning recruiting and processing of youngsters for the Job Corps.

At the time the recruiting freeze was imposed, Job Corps records indicated there were 3,542 males and 1,748 females for a total of 5,290 who had applications processed and accepted.

There were 2,753 males and 1,272 females with applications in various stages of processing by Job Corps.

Screeners have been advised informally to tell youths about the likely delay in entry. The following communication is being sent to all youths whose applications are presently held by the Job Corps:

"DEAR ——— ———: Your application for the Job Corps has been processed and approved. At the present time, all openings in existing Job Corps centers are filled. As openings become available, you will be assigned based on the earliest applications on file departing first. While you are awaiting assignment, you should check in regularly with your local employment service office and screener. In closing, Job Corps wishes to thank you for your interest in the program and will advise you as soon as openings become available.

"Sincerely,

"——— ———,
"Job Corps Regional Administrator."

During mid-June, Job Corps will begin assigning young men to Men's Urban Centers. Civilian Conservation Center assignments are expected to resume in mid-July, and young women will be assigned to the remaining centers late in August or early in September.

Male recruiting will begin sometime in the middle or latter part of June and female recruiting in late July or early August.

Sincerely,

GEORGE P. SHULTZ,
Secretary of Labor.

Target group for NYC summer programs
(In-school youth 14 to 21)

Age, sex, and race	*Number*
Total, 14 to 21	1,530,000
Total, 14 to 15	837,000
Male, white	242,000
Male, nonwhite	140,000
Female, white	292,000
Female, nonwhite	163,000
Total, 16 to 17	215,000
Male, white	62,000
Male, nonwhite	37,000
Female, white	74,000
Female, nonwhite	42,000
Total, 18 to 21	478,000
Male, white	138,000
Male, nonwhite	80,000
Female, white	167,000
Female, nonwhite	93,000

Department of Labor.

Mr. PERCY. Mr. President, I should like to make a short statement and then ask one or two questions. I am the first to say that the No. 1 urgent need in our country today, so far as meeting the conditions of those living in poverty is concerned, is to provide jobs.

I have a high priority for housing because of my responsibilities on the Housing and Urban Affairs Subcommittee.

But I think that, if given a choice of priorities, I would say that jobs should come first, because we would probably not be able to have housing without jobs, the lack of which brings about a condition of despair, a feeling of worthlessness in a society that is the most affluent society on earth today. The great gap which exists between those who work and those who do not is the feeling of being wanted and needed. This is particularly true with respect to young people. They have a feeling of frustration during the summer months, when they may be idle. Such a time of year brings young men and women out on to the streets, roaming about. I think that the distinguished Senator from New York, who has focused upon this particular aspect of unemployment, makes a very important point.

I cannot help thinking of the tragic, almost disastrous condition we have in my own State of Illinois, in the city of Cairo, where once again blacks and whites are engaged in an exchange of gunfire, with the National Guard lining up on one side to try to maintain law and order.

Here we have a condition that appears to be a racial fight. However, I cannot help believe that down underneath, the underlying struggle is for jobs. There are too few jobs in that community. The power structure is controlled by the whites. It is jobs that the blacks want. It is possibly for control of the power over those jobs that the struggle is all about.

It is the inadequacy of income to meet the sufficiencies of living that brings about these clashes.

The same condition exists in East St. Louis, a city presently in great difficulty. I hope that our hunger committee can go there for hearings and see at firsthand what the conditions are in that city, where, under normal conditions, year in and year out, one out of four young black males is unemployed—25 percent. From month to month they have a feeling of frustration and bitterness because of the lack of utilization of the education they have gained.

Therefore, Mr. President, I do not doubt the need at all. I really feel that the American people are quite prepared, over the long pull, virtually to guarantee a job to every person who is able to work, and willing to work.

Mr. President, 70 percent of the people responded favorably to a Gallup poll question as to whether they would provide such a guarantee to an individual in this country.

Thus, the American people are willing to move up to see that if private industry cannot absorb all of the people available for work, then the public sector will undertake to provide the skill, the education, and the wherewithal to provide jobs in the public sector or as a supplement to the private sector, so that we can make it possible for those who are now idle, to work.

My question concerns the timing and the amount.

I have no doubt that the present Secretary of Labor, Mr. Schultz, is compassionate, knowledgeable, and an experienced man who, above all men I know, desires to see idleness replaced with worthwhile work. I commend the administration for not wanting to see any cuts in the budget over last year. I am concerned that just the increase in our population alone and the increase in inflationary pressures should they just stand still, that we get from idle money, may release the amount of $55 million so that it can be used. I think the Senator from New York would envision as the time schedule, if we approve the amendment, that it be made a part of the supplemental bill before us.

I ask the Senator from New York, what processes would be necessary, how long would it take until this money is actually approved and can be dispensed and placed in the hands of the mayors so that it can actually be put to use this summer? After all, summer has begun, school is out in many parts of the country, and these youths are now idle.

Mr. JAVITS. Mr. President, the time limits are practicable because this is a supplemental and the House has already passed it. The House included nothing for this.

I should like to join with the Senator in respect to what he said about Secretary Schultz. He is a very broad-gaged man, with a deep understanding of the problems of the cities, as he has shown in many ways. I think that, in this particular case, he has been under considerable budgetary pressure, which is understandable because I think the President puts that on every Secretary, so that the Secretary of Labor has gone about as far as he can go in his survey of his own regional offices. He has turned up the need for $24 million, and he found some $16 million of that in programs where the money would not be used by the 30th of June. Then he advised us that an additional $7.5 million was the minimum required. Of course, that is provided for in the bill.

Now we had almost a similar experience last year, when we came in very late and the supplemental appropriation was not made available until July 2.

The supplemental funds were used. I know what our experience is in New York City. The U.S. conference of mayors figures represent additional slots that can be put to use under the management techniques by which summer jobs are given to the Neighborhood Youth Corps in every one of the 50 cities, and the smaller cities. There are actually far more applications and people who need to be given the jobs than can be given. So it is very easy and quick to call in the people to whom this opportunity has been denied and give it to them. They are very delighted to get it.

In addition, the way in which this program works now is that there are only about 10 weeks, with the $411 figure per slot. So there is still ample opportunity, before school opens, to use the money.

Furthermore—and this has been true in other situations—if the Senate should adopt this $55 million proposal, with some assurance that if something better than what is offered will come out of conference, every city will keep a certain number of applicants on hand to be put quickly to work the minute the money is forthcoming. As a matter of fact, last year New York City put them to work, taking a chance on an estimated figure that would come in. That is the tactical technique.

I will say that this is just about the last minute to get anything like this done. I have been around New York City a bit. As the Senator knows, we have quite a mayoralty campaign going on in New York City. As a result, I have been around the city in an unusually intensive way, though I live there and know it, anyway. I am deeply convinced that no assurance can be given as to which way the cities will go this summer. I think that in New York City we are especially fortunate to have a mayor who has a reputation for being able to keep the "roof" on the town. That will help us a great deal. But I still do not know, and I think, with all respect, nobody knows, how nicely adjusted the temper of the community is. There is plenty of reason for frustration. Not nearly enough has been done. At the same time, we do have some good marks for trying, and there are some visual evidences of our effort.

I wish to tell the Senator from Illinois that he should take tremendous satisfaction from his role in housing. I see it on every side. I think the Appropriations Committee has recognized it by the restoration which has been made even in the supplemental bill. When the regular appropriation bill comes before us, we may have a little trouble, but these are very good programs, especially the program for home subsidies.

I feel that it is feasible and practical, as the Conference of Mayors has suggested, to act now on this particular supplemental bill, which has to be completed before the end of the month, anyway, for other reasons than this particular appropriation. We could expect that the money will be effectively used and that it will have a measurable impact on the situation in our big cities.

I should like to point out to the Senator something that is very interesting to me. Last summer the Neighborhood Youth Corps was very effective in "cooling down" our hot cities. This was not because they were vigilantes or were special policemen, but it was because they wore clean clothing and were in effect saying, "I am doing something, and the Government is trying to help." This was very persuasive on people who were inclined to lose their temper and their heads.

Considering the amount involved, I think it is a desirable and wise provision by us. I shall put it to the Senate in the temperate and modest way in which I have put it now. Like my colleagues, we are exploring a field where the difference between a situation of reasonable acceptability and one which is very dangerous to the country may be a hair's breadth, and this may be the breadth.

Mr. PERCY. Mr. President, I appreciate very much the explanation given to me. From my own experience, looking at the figures of the request for the city of Chicago that has been submitted, this sum would provide an additional 8,800 jobs. Here is a city of 3.5 million people. and one wonders what difference 8,800 jobs would make. But it does make a difference to every single boy who will

be employed and helped. I can remember very well every summer I worked in between school terms. I can remember how it added to my experience and how I felt an additional importance because of that work, no matter how menial it was.

Every student who can get work may prevent himself from being a dropout. It can help him have a sense of worthwhileness. It can give him a sense of appreciation for education, which is the most powerful weapon he can have, and what it can mean to him in later life.

In my own city of Chicago, what we would be voting for would be to give young people 8,800 jobs which can help them feel worthwhile, and not like an IBM card, unwanted, unrelated, and unneeded in a society which is moving ever faster and leaving the individual behind. Here is our chance to step up and help.

With the confidence and knowledge of my distinguished colleague in this field, in which he has been so preeminent, we can vote to so employ this money. I hope we can do it. I wish we could increase the money. I am sympathetic with our administration's effort to try to stop inflation and to try to protect the income of people who are having their pockets picked because of the ravages of inflation. I would rather see the money cut out of some other part of the budget and put into these jobs.

Mr. JAVITS. I thank my colleague. He has asked a question which is very perceptive. According to the figures we have, the target population has increased by thousands. We will have something like a million and a half this year. That is the reason for doing better.

Mr. PERCY. So if we do the same as last year, we are slipping back, because of the population increase. We must add the factor of population.

Mr. JAVITS. Yes.

There was a story in the New York Times last Sunday in which it was stated that the private industry community was expected to do better. Every bit of evidence we have indicates the private business community will have to do much better. After all, last summer was not a bed of roses. I hope private business will do better. One of the ways to encourage private business to do better is to show that we will do better.

I thank my colleague for his support.

THE ADAM CLAYTON POWELL DECISION

Mr. ALLEN. Mr. President, the Supreme Court, in the Adam Clayton Powell decision, announced today, showed again the determination of the Supreme Court to usurp the powers and prerogatives of Congress.

In my judgment, the decision that the House of Representatives was without power to exclude POWELL from the 90th Congress was contemptible and spiteful, and an arrogant affront to Congress.

It gave indication of Chief Justice Warren's determination to use what I hope is his swansong, as a vehicle to give Congress a parting slap; and also to try to make of the Supreme Court a super-Government riding herd over the other branches of Government and usurping their duties and responsibilities.

It mattered not to Chief Justice Warren that POWELL had been found by the House to be guilty of misuse of public funds. Warren ruled that no matter how POWELL had conducted himself, if he had been elected by his constituency, was over 25, had been a citizen for more than 7 years, and was an inhabitant of the State from which he had been elected, he could not be denied a seat of the House of Representatives.

Following the Court's reasoning, Congress must seat any person no matter how reprehensible his conduct, how unscrupulous his character, no matter how disloyal to ethical principles, if he is elected and meets the age, citizenship and residence requirements of the Constitution. No other qualifications or lack of them can be brought into play.

The Supreme Court ignored the fact that the Constitution gives each House of Congress the power to judge the qualifications of its Members and punish its Members for disorderly behavior. This power of Congress has, before now, been unquestioned during the 180 years of our existence as a Republic.

I think it is significant that the Supreme Court in reaching this decision reversed a decision of the Court of Appeals of the District of Columbia, of which Judge Warren E. Burger is a member.

Judge Burger's line of reasoning will be a welcome relief from that of Chief Justice Warren.

ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 42 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, June 17, 1969, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate June 13, 1969, under authority of the order of June 12, 1969:

ASSISTANT POSTMASTER GENERAL

Harold F. Faught, of Pennsylvania, to be an Assistant Postmaster General.

DIPLOMATIC AND FOREIGN SERVICE

Ridgway B. Knight, of New York, a Foreign Service officer of the class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

U.S. ADVISORY COMMISSION ON INFORMATION

William F. Buckley, Jr., of Connecticut, to be a member of the U.S. Advisory Commission on Information for the term of 3 years expiring January 27, 1972, vice Sigurd S. Larmon, term expired.

U.S. DISTRICT JUDGE

Gerald S. Levin, of California, to be U.S. District Judge for the northern district of California, vice a new position created under Public Law 89-372 effective September 18, 1966.

GOVERNOR OF THE VIRGIN ISLANDS

Melvin H. Evans, of the Virgin Islands, to be Governor of the Virgin Islands.

IN THE AIR FORCE

Gen. John P. McConnell, FR611 (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of general under the provisions of section 8962, title 10 of the United States Code.

Gen. John D. Ryan, FR1418 (major general, Regular Air Force), U.S. Air Force, to be appointed as Chief of Staff, U.S. Air Force, for a period of 4 years beginning August 1, 1969, under the provisions of section 8034, title 10 of the United States Code.

CHAIRMAN, JOINT CHIEFS OF STAFF

Gen. Earle Gilmore Wheeler, 018715, Army of the United States (major general, U.S. Army), for reappointment as Chairman, Joint Chiefs of Staff, for an additional term of 1 year.

CHIEF OF NAVAL OPERATIONS

Adm. Thomas H. Moorer, U.S. Navy, for appointment as Chief of Naval Operations in the Department of the Navy for a term of 2 years.

Executive nominations received by the Senate June 16, 1969:

IN THE ARMY NATIONAL GUARD

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Ross Ayers, O378526, general of the line.

Col. John P. Jolly, O431736, Adjutant General's Corps.

To be brigadier general

Col. Jackson Bogle, O461234, Adjutant General's Corps.

IN THE NAVY

The following-named officers of the Navy for temporary promotion to the grade of rear admiral in the staff corps indicated subject to qualification therefor as provided by law:

MEDICAL CORPS

Harry P. Mahin
David P. Osborne
Herbert G. Stoecklein

SUPPLY CORPS

John A. Scott
Vincent A. Lascara
Edwin E. McMorries

CHAPLAIN CORPS

Francis L. Garrett

CIVIL ENGINEER CORPS

Albert R. Marschall

DENTAL CORPS

John P. Arthur

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Adams, Donald D., 0017253.
Adams, Marvin L., 0016144.
Adams, Ranald T., Jr., 0017336.
Adcock, Roy D., 0025629.
Aguilar, Adolph, 0035225.
Ahrens, Herman C., Jr., 0035608.
Allard, Lionel C., Jr., 0024331.
Allen, Lew, Jr., 0017342.
Allery, Kenneth E., 0036093.
Allison, John H., 0035733.
Almes, Guy C., 0036012.
Ambrecht, John F., 0014226.
Ames, James R., 0035945.
Anderson, Richard R., 0011588.
Andress, Crystal L., 0033770.
Arant, Albert F., 0034682.
Armstead, Seth A., Jr., 0012947.

Atkinson, Anderson W., 0017339.
Audick, Albert E., 0024345.
Augustyn, Frank J., 0017308.
Austin, David A., 0026422.
Austin, Harold R., 0037040.
Bain, James, 0036368.
Ball, Clarence C., Jr., 0035165.
Bally, William J., Jr., 0036589.
Barrentine, Emmett S., Jr., 0027679.
Barron, Thomas P., 0036554.
Bartholf, John C., 0017502.
Bartholomew, Gabriel P., 0022659.
Barton, Bernard H., 0036844.
Bass, Bernie S., 0036743.
Baumann, Lee S., 0036615.
Baxter, William D., 0017530.
Baynes, Hugh L., 0049233.
Bean, James R., 0025818.
Beard, Charles E., Jr., 0016143.
Bechtold, Louis A., 0017259.
Becker, William R., 0036373.
Behr, Robert M., 0021515.
Bell, Paul E., 0026466.
Bellis, Benjamin N., 0017330.
Benham, Harold N., 0015249.
Benit, Henry J., 0035982.
Bennett, Samuel L., 0037016.
Benton, Ernest L., 0036608.
Bissell, Donald R., 0016925.
Blanchard, Jerome L., 0013164.
Blanton, Eugene T., 0036826.
Bolen, George O., Jr., 0015453.
Boswell, Marion L., 0017719.
Boucher, Ernest W., 0048767.
Bouldin, Frank H., 0034453.
Boutwell, William A., 0035766.
Boyd, Harwell L., Jr., 0037047.
Bradburn, David D., 0017335.
Brechwald, Edward J., 0017363.
Brewer, Orse, Jr., 0035591.
Brim, Raymond E., 0035675.
Buckingham, Charles E., 0017483.
Burcham, Lee A., 0017305.
Burgess, Richard B., 0017383.
Burkett, Daniel L., 0017571.
Burnham, Perry H., 0048748.
Burns, John J., 0028203.
Butler, James J., Jr., 0014361.
Butler, Ralph J., 0015142.
Butts, Jack N., 0035611.
Cameron, Carl C., 0036832.
Campbell, John R., 0035647.
Carey, Russell J., Jr., 0014095.
Carroll, Thomas L., 0017313.
Carson, James S., 0052255.
Carter, Jack E., 0036242.
Caruthers, Marion F., 0036145.
Casey, Maurice F., 0036992.
Castelli, Joseph R., 0076525.
Castle, Johnny R., 0017446.
Chacey, David D., 0014413.
Chapman, Kenneth R., 0017362.
Chatfield, James D., 0017515.
Chille, Peter J., 0017231.
Christensen, Keith L., 0022639.
Clague, Charles E., Jr., 0034829.
Clancy, Orville W., 0036620.
Clark, Philip S., 0052264.
Clayton, Gerald H., 0052089.
Cohlmia, George V., 0036393.
Coke, Paul E., 0025500.
Colladay, Martin G., 0017344.
Connor, John H., 0035837.
Cook, Harvey A., Jr., 0015382.
Cook, Walter E., 0014627.
Cooke, Robert R, Jr., 0035016.
Corra, Nicholas A., 0037109.
Cotellesse, Peter, 0022699.
Covington, James C., 0037093.
Crenshaw, David L., 0033717.
Cross, Floyd E., 0036545.
Crowder, Charles E., Jr., 0016299.
Crum, Walter S., 0016741.
Culver, Frank B., III, 0020765.
Dahlem, Walter E., Jr., 0036115.
Dalferes, George L. J., 0048786.
Dallman, Howard M., 0015281.
Damewood, Lawrence D., 0051851.
Daniels, Robert W., 0022860.
Darmstandler, Harry M., 0036641.
Davies, Franklin C., 0016854.
Davis, Marion M., Jr., 0017183.
Deatrick, Eugene P., Jr., 0017371.
Delmore, John R., 0034577.
Demmon, George B., 0032708.
Demont, Russell D., 0035657.
Deniston, Dale R., 0036901.
Denniston, Clyde R., Jr., 0017437.
Denton, Edward P., 0036594.
Derienzo, Joseph F., 0034734.
Dienst, William L., 0015415.
Dingeldein, Robert, 0017568.
Dobrowolski, Edward L., 0032682.
Dodds, John E., 0016289.
Doherty, Albert M., 0036614.
Dorman, George S., 0017411.
Downer, Charles P., 0036080.
Dreiseszun, Abraham J., 0036902.
Drew, Adrian E., 0037125.
Duckett, Wayne G., 0015265.
Dulion, William E., 0037037.
Dunlap, Lloyd L., Jr., 0017380.
Durkee, Frank W., 0052125.
Dye, L. A., Jr., 0015754.
Dye, Rufus, Jr., 0036943.
Easley, Frank, 0036317.
Eckerman, Chester E., 0035853.
Edge, Robert L., 0017565.
Eichelberger, William R., 0017244.
Eldridge, Malcolm W., 0052209.
Elias, William, 0035514.
Ellis, Frederick D., 0033868.
Ellis, Richard H., 0036867.
Elstun, Maurice, 0036278.
Evans, Marion T., 0034752.
Evans, Robert A., 0016996.
Evans, William J., 0017355.
Evely, Clyde P., 0023738.
Ewing, Donald E., 0017214.
Felices, Salvador E., 0017377.
Ferrato, Theodore P., 0022713.
Fertig, William V., 0034622.
Finley, David H., 0034736.
Fleek, Thomas A., 0036200.
Florick, Leo, 0035094.
Foley, Roland D., Jr., 0016818.
Foust, William L., 0023690.
Fowler, Lawrence A., 0036386.
Fox, Harold L., 0034401.
Francis, Charles F., 0036140.
Francisco, George W., 0035521.
Franklin, R. C., Jr., 0036845.
Freshwater, Robert E., 0017522.
Frisbie, Norman H., 0013722.
Fry, Joe, 0052165.
Fuqua, Robert P., 0037092.
Gaines, Edmund P., Jr., 0017558.
Garvin, Thomas P., 0035530.
Gauch, Eugene W., Jr., 0035961.
Gauthier, Adelbert G., 0036457.
Gibson, Ralph D., 0017284.
Gibson, Winfield S., 0036407.
Gilbert, William W., 0020738.
Gimmi, Richard F. B., Jr., 0021517.
Giraudo, Joseph L., Jr., 0036639.
Glass, Donald R., 0016416.
Glover, Kenneth, D., 0036285.
Gordon, Lawrence N., 0017467.
Graafs, Edward H., 0036465.
Grace, Harold W., Jr., 0022694.
Green, Norman H., 0018237.
Greenwade, Paul V., Jr., 0037102.
Greenwood, Guiher G., 0037099.
Greget, Tony M., 035946.
Griffin, Hiram, 0017133.
Griffin, Robert J., 0052304.
Grimm, Harley L., 0017067.
Grooms, Wayne G., 0032750.
Gross, Kenneth E., 0018289.
Grossman, Frank H., 0052279.
Grossmiller, William J., III, 0017311.
Grow, John W., Jr., 0036887.
Gustin, George, 0036865.
Haggard, Samuel R., 0064401.
Hall, Richard C., 0035661.
Hamel, Robert E., 0020728.
Hamilton, Maynard G., 0016172.
Hamilton, Robert S., 0036381.
Hansen, Leroy P., 0016751.
Hanson, Lewis C., 0035624.
Hardy, Alan H., 0036738.
Harre, Eugene H., 0052096.
Harris, Edgar S., Jr., 0017505.
Harris, Roy L., Jr., 0017560.
Harward, Garn H., 0034582.
Haynes, Robert M., 0048772.
Hays, Ralph M., 0036669.
Head, Vernon L., 0036425.
Hedlund, Donald C., 0015772.
Heiberg, Harrison H. D., Jr., 0017368.
Henderson, Fred H., Jr., 0036262.
Henner, Ernest S., Jr., 0011658.
Hess, Walter N., 0034049.
Heyl, Rodney W., 0011690.
Hightower, Loyd W., Jr., 0035527.
Hildebradt, James E., 0017351.
Hiley, James H., 0036438.
Hill, James F., 0020741.
Hinton, John R., Jr., 0020691.
Hoffs, Henry, 0036071.
Holladay, Robert L., Jr., 0035269.
Holmberg, Herbert A., 0014587.
Holton, William D., 0052274.
Horn, John D., 0012714.
Horne, Raymond E., Jr., 0020735.
Horton, Clarence F., Jr., 0017486.
Hoskins, James E., 0052043.
Houghton, Homer H., 0032644.
Howell, Philip V., Jr., 0017534.
Hoyt, Robert F., 0010006.
Hoza, Paul P., 0015268.
Hudson, James D., 0024370.
Huff, Wesley E., 0034568.
Hughes, Eugene, 0035785.
Hughes, James D., 0017468.
Hulett, Charles E., 0036843.
Hunt, Ralph M., 0036538.
Hutto, Merl G., 0017433.
Jackson, Bush M., Jr., 0036061.
Jackson, Robert A., 0016121.
Jacobs, Albert, 036281.
Jacobs, Robert A., 0014007.
Jacobson, Hilding L., Jr., 0036683.
Jacolick, Harvey T., 0036889.
Janssen, William L., 0052092.
Jeffers, Ulie H., Jr., 0052208.
Jewell, Harold R., 0017297.
Johnson, Ivan D., 0036010.
Johnson, Marvin M., 0034691.
Jolley, Bryan R., 0016734.
Jones, Arthur M., 0017286.
Jones, Glenn W., 0050372.
Jones, Paul D., 0015146.
Jones, Robert L., 0028197.
Jones, Robert L., 0022693.
Kaiser, Henry A., 0035938.
Kalb, Robert D., 0036879.
Keith, Jack L., 0036073.
Kendrick, Claud D., 0035877.
Kenny, Patrick H., Jr., 0016482.
Kiger, Robert I., 0035306.
Kimball, Wesley D., 0052302.
King, Nat D., 0016981.
King, Roy W., 0026780.
Kinney, Robert W., 0036129.
Kleine, James D., Jr., 0013301.
Klinginsmith, Russell F , 0025497.
Kosciuszko, Alphons E., 0017057.
Kosmatka, Raymond, 0036090.
Krauska, Thomas J., 0023186.
Kresge, Cletus C., 0036965.
Kuhn, Joseph A., 0024321.
Kumnick, Chris A., Jr., 0012270.
Ladd, Herbert W., Jr., 0036884.
Lamb, Thomas E., 0025498.
Lancaster, Roy A., 0035782.
Lapping, Sherwood F., 0035914.
Lasalle, Louis W., 0036412.
Laseter, William H., 0036180.
Lebell, Jonah, 0019786.
Lee, Fitzhugh, Jr., 0035748.
Leighty, Claude C., 0035988.
Lengnick, Roger H., 0017326.
Leonard, John H., 0028161.
Lester, Frank G., 0017367.
Leuchtmann, Robert L., 0017564.
Lieber, Bernard, 0035209.
Ligon, Vernon P., Jr., 0033825.
Lillie, William H., Jr., 0036812.
Lilly, Bobby J., 0035514.
Lindeman, Jack R., 0017314.
Litchfield, Robert L., 0011764.
Lobdell, Harrison, Jr., 0017360.
Lockee, Archie S., 0036104.
Loftus, Marshall J., 0036353.
Lowe, Jerome G., 0033965.
Lowry, Robert M., Jr., 0017420.
Lowry, Thomas J., Jr., 0036881.
Luby, Edward W., 0036855.

Lucas, Charles W., 0036221.
Lucchesi, Gene A., 0034027.
Luebbert, Herman E., 0037013.
Luther, Joseph G., 0036989.
Lyles, Luther W., 0036097.
Lysaker, Howard E., 0035643.
MacDonald, Nelson J., 0035241.
Macia, James H., Jr., 0036621.
MacKenzie, Robert F., 0013779.
MacWilliams, Malcolm M., 0017396.
Madison, John E., 0024725.
Magnan, Mark W., 0028204.
Mahon, William J., 0025537.
Mann, Gerald E., 0014925.
March, William C., 0035307.
Marshall, Charles W., 0050407.
Martin, Hugh J., 0026459.
Martinez, Cesar J., 0036127.
McBurney, Raplee Y., 0036700.
McCain, William M., 0036600.
McCall, James L., 0035011.
McClure, Robert D., 0013714.
McCollum, Vance W., 0051890.
McCormick, Howard E., 0020744.
McDonnell, Michael C., 0034737.
McGee, Charles E., 0051799.
McGilpin, Willam A., Jr., 0034504.
McGugan, Charlie T., Jr., 0051813.
McIntire, Jesse C., 0016010.
McKenney, Lawrence E., 0034984.
McKennon, Sandy J., 0016099.
McKinney, Joseph T., 0017323.
McPherson, Daniel E., Jr., 0017907.
McInney, Joseph T., 0017323.
McVey, William H., 0014700.
Mejaski, Joseph W., 0036454.
Merz, Charles F., 0035956.
Meyers, Roy I., 0017264.
Miller, Clement K., 0036267.
Miller, James M., 0017096.
Milton, John L., 0016392.
Milzer, Carl W., 0021440.
Minnich, E. Scott, 0017462.
Minor, John M., 0017415.
Mock, Theodore E., 0022724.
Molchan, John E., 0017391.
Moore, Arthur R., Jr., 0017475.
Moore, James A., 0036477.
Morgan, Whitney L., 0051082.
Morris, Edward D., 0036279.
Morris, George H., 0025776.
Morris, Grady, 0035713.
Morris, Jack B., 0024326.
Morris, Julian B., 0023741.
Morrison, Charles M., 0036148.
Moseley, James C., Jr., 0028160.
Moulton, Ralph R., 0036601.
Mulcahy, William J., 0022798.
Murfield, J. Donald, 0025489.
Murphy, James S., 0037080.
Murphy, Robert B., 0036456.
Murphy, William J., Jr., 0022681.
Myers, Howard S., Jr., 0034694.
Nakis, George M., 0036810.
Naleid, Jerome F., 0017334.
Naler, James D., 0037038.
Nealon, John F., 0035995.
Neff, Benjamin G., 0017280.
Neighbors, William S., 0050423.
Nelsen, Raymond Z., Jr., 0036506.
Nelson, Palmer A., 0034811.
Nelson, William H., 0035811.
Newby, Warner E., 0037082.
Newell, Richard G., 0017484.
Newhouse, Morris H., 0036124.
Nielsen, Austin, 0011964.
Norwood, Billie J., 0017525.
Novy, James S., 0035965.
Nunez, Raul, 0023751.
Obarr, William C., 0015664.
Obarski, Stanley J., 0036371.
O'Connor, John T., 0036761.
O'Connor, Theodore J., 0036165.
Oliver, Jeptha D., Jr., 0036243.
Oliver, John W., Jr., 0017161.
Orell, Joe, 0035325.
Ostrye, Norbert B., 0015299.
Pace, Robert E., 0022710.
Paige, Leroy D., 0024724.
Palenscar, Alexander J., Jr., 0048787.
Pappas, Antonio S., 0036455.
Parker, John M., 0036475.
Parker, John B., 0015648.
Parr, Ralph S., 0028206.
Paschall, James E., 0017427.
Pate, Ernest W., 0035898.
Payne, Donald W., 0016718.
Pear, Charles E., 0036251.
Pendergraft, Wesley L., 0018242.
Perez, Richard A., 0016928.
Perry, Daniel C., 0017013.
Perry, Frank V., 0016389.
Perry, Roland A., 0018231.
Pettigrew, Joe D., 0035218.
Phelan, James, 0036496.
Pisanos, Steve N., 0020745.
Pitts, John E., Jr., 0017406.
Poe, Bryce II, 0017393.
Pohl, Nelson O., 0023709.
Pool, Sam J., 0036247.
Portt, Glen A., 0052311.
Price, Jack R., 0022764.
Prieve, Donald G., 0023743.
Prothero, Alvin E., 0035275.
Rafalko, Edmund A., 0016888.
Ramsey, Charles E., Jr., 0037111.
Ranson, Jerald J., 0036421.
Rea, Parks M., 0034580.
Reece, Horace S., 0051867.
Reed, Junior B., 0036109.
Reisinger, William J., 0036782.
Riave, Lionel L., 0041289.
Rice, Franklin C., 0036403.
Ridgway, Clifton S., 0036959.
Ritchey, Andrew J., 0016250.
Roberson, John F., 0036706.
Roberts, Lionel W., 0035747.
Roberts, Ray D., 0013248.
Robinson, Ray A., Jr., 0023628.
Rodriguez, Reynaldo A., 0052176.
Rogers, William J., 0036138.
Rose, John G., 0014460.
Rose, John M., Jr., 0024398.
Rosenow, John J., 0035994.
Rossman, Russell J., 0016429.
Rothwell, Ian D., 0036728.
Rowdon, Earle J., 0036668.
Ruffatto, Bennie J., 0035167.
Russell, Durward B., Jr., 0051941.
Ryan, Robert M., Jr., 0016567.
Sadler, Robert E., 0017561.
Sanderson, Duncan M., 0012970.
Sanderson, Robert W., 0036541.
Sargent, Jack S., 0033921.
Savuto, Joseph A., 0013897.
Saxton, David W., 0022674.
Schmitt, John J., Jr., 0017470.
Schroeder, George Z., 0016578.
Schulz, Richard G., 0036689.
Sears, Phillip F., 0036238.
Seaver, Owen L., 0014805.
Seccomb, Milo L., Jr., 0036833.
Seeger, Charles M., 0016956.
Senter, Lee R., 0036825.
Severn, Theodore, 0035559.
Sexton, Roy D., 0026677.
Shafer, Jonathan K., 0015298.
Shahbaz, John C., 0051947.
Shannon, William E., 0021802.
Sheehan, Daniel J., Jr., 0016675.
Shepard, Leland C., Jr., 0021435.
Shiver, William H., 0026392.
Short, Vere, 0035217.
Shriner, Frederick F., 0036781.
Sigman, Isiah, 0036657.
Simmons, Alfred C., 0013957.
Sizemore, Robert, 0017157.
Skinner, Harry G., 0016637.
Smith, Charles A., 0017276.
Smith, Donald R., 0015726.
Smith, George K., 0015506.
Smith, James S., 0037035.
Smith, Robert R., 0015191.
Smith, Stanley C., 0036664.
Sowers, Robert L., 0052273.
Spalding, John R., Jr., 0036711.
Spencer, Earl W., 0015436.
Spencer, William R., 0036392.
Spies, Fred R., 0051060.
Staley, Ray C., 0020742.
Stephens, Homer Q., 0034687.
Stevens, David H., 0024572.
Stewart, Emmett F., 0036282.
Stewart, James L., 0022691.
Stewart, Kenneth M., 0016667.
Stewart, Robert B., 0017322.
Stickman, William R., Jr., 0017034.
Stippich, Robert C., 0037041.
Stokes, Louis S., 0012626.
Stonberger, Harold W., 0023699.
Stringer, Elbert M., 0017423.
Stull, Grafton W., 0013627.
Summer, Peter D., 0016577.
Swan, Clinton D., 0010224.
Sweetnam, Richard W., 0036052.
Swindell, Charles W., 0015240.
Swisher, Kenneth C., 0026834.
Tallman, Kenneth L., 0017337.
Taylor, Paul P., 0016660.
Temple, Robert J., 0017248.
Temple, William A., 0017319.
Theus, Lucius, 0018270.
Thomas, John E., 0052318.
Thomas, John H., 0014080.
Thompson, Earl A., 0035749.
Thompson, George W., 0017726.
Thompson, Webb, 0052307.
Thornhill, Howard A., 0035516.
Thurman, George D., 0036625.
Toolan, Frank J., 0036807.
Townsend, James G., 0015260.
Trautwein, Donald F., 0015474.
Trout, Darvin L., 0014822.
Trumble, John B., 0011523.
Turner, Howard D., 0025799.
Tyndall, Joseph M., 0022803.
Vanhoy, Lonnie E., 0014629.
Vanpelt, Warren W., 0026429.
Vansickle, Earl R., 0017516.
Ventres, Robert L., 0017234.
Versurah, Vincent V., 0014989.
Vickrey, Mac, 0051925.
Vidmer, Richards, Jr., 0017544.
Vincent, John H., 0037017.
Voss, John G., 0036811.
Walker, William L., 0037126.
Warndorf, James P., 0036981.
Warren, Foster G., 0017566.
Wassner, William R., 0036340.
Watkins, Charles T., Jr., 0036013.
Wayne, Robert E., 0017397.
Webb, Marcell E., 0034755.
Weber, Marvin O., Jr., 0017461.
Wehrle, Joseph H., 0052329.
Weinbrenner, George R., 0036374.
Wells, Eugene O., 0035342.
Wengel, Emil J., 0015296.
Wenzel, Lloyd H. N., 0014960.
Werbeck, Donald L., 0018290.
Weyhrich, Melvin P., 0023700.
White, Richard J., 0034596.
Wilkinson, Stanley, Jr., 0036675.
Williams, Durwood R., 0023750.
Willoughby, David J., 0036521.
Willson, Dean W., 0035197.
Wilson, Ernest R., 0023694.
Wilson, Harold H., 0010388.
Wilson, Howard E., 0032694.
Winn, David W., 0036646.
Winters, Robert E., 0051946.
Wood, Branson L., Jr., 0016152.
Yancey, William B., Jr., 0017476.
Young, Elton C., 0035469.
Young, Kendall S., 0036493.
Zaniewski, Felix J., 0026685.
Zeh, Theodore G., Jr., 0017421.
Zweifel, Harold J., 0013773.

Chaplains

Jellico, Thomas M., 0024681.
Stein, Martin J., 0050960.

DENTAL CORPS

Baldwin, Kenneth H., 0024205.
Hoot, Norman G., 0021847.
Jones, Eugene H., 0018962.
Julius, Loy L., 0023071.
Knoll, Oliver J., 0019969.
Roy, Edward W., 0024676.
Sachsel, Arthur J., 0029278.
Segreto, Vincent A., 0022405.
Weaver, Robert N., 0024140.
Zellers, Howard W., Jr., 0024121.

MEDICAL CORPS

Anderson, George R., 0022950.
Baird, Glenn D., 0020845.

Chesney, Murphy A., 0029808.
Clark, Randall L., 0029611.
Fitch, Ray F., 0024655.
Nafis, Warren A., 0023581.
Peniston, William H., 0025636.
Richard, Eli F., 0025471.
Smith, J. Lewis, Jr., 0024194.
Upp, Charles W., 0023174.
Wesp, Joseph E., 0023055.
Willmarth, Charles L., 0029612.

NURSE CORPS

Garvin, Sara E., 0021045.
Lawrence, Evelyn N., 0022075.

MEDICAL SERVICE CORPS

Delahunt, John C., 0019509.
Dibona, Philip, 0021641.
Herrin, Daniel M., Jr., 0021620.
Leahy, Joseph H., 0055326.
Merritt, William F., 0019487.
Morden, Harold R., 0019510.
Otter, Henry F., 0019480.
Templeton, Robert C., 0048926.

VETERINARY CORPS

Grau, William H., Jr., 0023073.

BIOMEDICAL SCIENCES CORPS

Bodycomb, Joyce, 0020897.
Madget, Mary E., 0027972.
Smith, Francis S., 0036854.

U.S. TARIFF COMMISSION

Will E. Leonard, Jr., of Louisiana, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1975. (Reappointment)

COMMISSION ON CIVIL RIGHTS

Howard A. Glickstein, of New York, to be Staff Director for the Commission on Civil Rights.

EXTENSIONS OF REMARKS

NEW GENERAL MOTORS PLANT OPENS IN WEST VIRGINIA—PUBLIC OFFICIALS PARTICIPATE IN DEDICATION—GM PRESIDENT EDWARD N. COLE GIVES CHALLENGING ADDRESS

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, June 16, 1969

Mr. RANDOLPH. Mr. President, on June 13 General Motors Corp. formally dedicated its eastern parts plant at Martinsburg, W. Va.

This was an important event in the State's economic life. I was privileged to be present for the dedication ceremony with Edward N. Cole, president of General Motors; Gov. Arch A. Moore, Jr., of West Virginia; Representative HARLEY O. STAGGERS; and 200 business leaders.

Senator ROBERT C. BYRD was unable to attend and sent greetings by telegram.

This new production facility of the Nation's largest automobile manufacturer already employs 1,100 workers and is expected to add nearly $17 million to the local economy annually, including a payroll of more than $10 million.

I joined in the official welcome of General Motors to West Virginia and pointed out the important role it will perform in the life of the State. The selection of West Virginia by General Motors is indicative of the advantages we possess for industry. This also is demonstrated by other new industries that have moved to the State and by the expansion of enterprises already there.

The General Motors plant is adjacent to the new Interstate Highway No. 81, undoubtedly an important factor in selecting a site for a facility that will provide automobile parts for 15 distribution centers in 21 Eastern States.

As I said at Martinsburg, such highways are essential to the economic growth of West Virginia and the rest of the Nation. The fact that there is a backlog of more than $250 billion worth of needed construction underscores the necessity for moving ahead with a new national highway program.

When the presently approved Interstate System is completed, we must be ready to meet future needs, and the Congress is looking into that challenge.

The late Charles F. Kettering, a talented and brilliant man who was vice president and research director for General Motors, once said: "My concern is for the future because I am going to spend the rest of my life there." I was reminded of this wise observation at Martinsburg as we welcomed General Motors and extended to it the invitation to spend its future years in West Virginia.

In his welcome to General Motors, Governor Moore said the decision to locate the new plant in West Virginia supports the belief that the State has a bright future.

West Virginia, the Governor emphasized, is on the move again, and General Motors is helping to give the State new confidence and new optimism.

Several thousand citizens toured the vast facility on the day following the official ceremonies.

Paul B. Martin, editor of the Martinsburg Journal, crystalized the feeling of our people in a helpful editorial on June 12. He stressed the partnership that exists between the new General Motors plant and the Martinsburg community.

Mr. President, the remarks of President Cole at the dedication of the plant were a very timely and thoughtful discussion of the automobile industry.

In view of the importance of his industry to the Nation and to West Virginia, I ask unanimous consent that excerpts from his challenging address and the Martinsburg Journal's editorial be printed in the RECORD.

There being no objection, the excerpts were ordered printed in the RECORD, as follows:

EDITORIAL

NEW GENERAL MOTORS PLANT OPENS IN WEST VIRGINIA

Already GM is proving to be a "good citizen" in our community and so we welcome this biggest of all American industries to Martinsburg and wish for it a long, happy and profitable experience and continued cordial relationships here.

ADDRESS BY MR. COLE

This new Eastern Parts plant has a significant role in our world-wide system of processing and distributing service parts to our dealers. In addition, we are proud to have the opportunity of locating a major GM plant in the beautiful state of West Virginia, adding to the economic impact of the automobile industry in this state.

Latest available data shows that manufacturers of motor vehicles operate 10 plants and offices in West Virginia—not including the new Martinsburg facility. The state's more than 400 new car and truck dealers have an investment of $46 million in their businesses. Together, the operations of automomobile manufacturers and new vehicle dealers account for an employment of 7,300 workers with annual payrolls of more than $37 million.

The Martinsburg plant, which went into full operation early this year, employs about 1,100 people with an estimated annual payroll of over $10 million—including wages and employe benefits. In addition, we expect to purchase about $6 million worth of goods and services from other business concerns in this region each year.

The number of cars in use in this country has risen dramatically during recent years. Along with the greater sophistication of car owners and their demands for higher levels of operational efficiency in their cars and trucks, the magnitude of automotive servicing requirements has increased substantially. The construction of this new modern facility is one of a number of major steps taken by General Motors in recent years to meet increasingly complex and demanding service requirements of our customers.

We operate in a highly volatile and competitive business environment spurred by increasing consumer demands, rising costs and other pressures. Our basic requirement is to provide automotive vehicles which are safe, reliable, durable and which represent a high level of transportation value for the consumer against competition from all other types of goods and services.

But society today expects more from the businessman than just doing a good job of running his business. It looks to him for leadership in seeking solutions to some of the major challenges of our times.

We in the automobile industry are particularly concerned with those social and environmental issues related to the use of our products and the operation of our facilities—traffic safety, air and water pollution, and urban transportation.

We in American business must place even stronger emphasis on our important role as builders of a greater society. We must continue to seek ways of improving the capacity and efficiency of the business resource so that we can better serve the increasingly demanding requirements of our society.

The automobile industry has made tremendous progress in improving the safety of its vehicles over the years. This includes advances both in the capability for avoiding accidents and protecting the occupants in the event of an accident.

We have assigned high priority to the development of features which will improve the capabilities of the driver to avoid an accident. Controllability, ease of handling and rapid response characteristics are basic requirements.

We are concerned, however, that similar attention is not being given by state and federal authorities to improvements in both roads and driver performance. Regardless of the continuing advances in automotive safety design, we cannot expect a significant reduction in traffic deaths and injuries unless there are strong nationwide efforts to upgrade the quality of our highways and drivers.

In the area of air pollution control, we have made substantial progress toward cleaner air.

New control systems introduced in the 1960's have reduced the amount of both hydrocarbon and carbon monoxide emissions